S8345-3

State of Washington

COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the fiscal year ended June 30, 1991

Prepared by

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For the Fiscal Year Ended June 30, 1991

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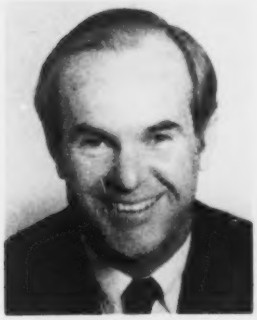
State of Washington Elected Officials June 30, 1991



Booth Gardner
Governor

Joel Pritchard
Lieutenant Governor

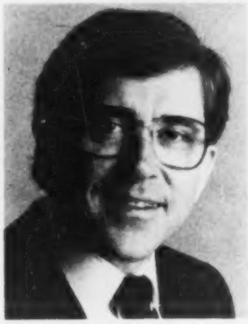
Ralph Munro
Secretary of State

Dan Grimm
Treasurer

Robert V. Graham
Auditor

Ken Eikenberry
Attorney General

Judith Billings
Superintendent of Public Instruction



Brian Boyle
Commissioner of Public lands

Richard G. "Dick" Marquardt
Insurance Commissioner

Washington State Government

State agencies based on gubernatorial appointment authority

Legislative Branch

Senate - House of Representatives

- Legislative Budget Committee
- Legislative Evaluation and Accountability Program
- Legislative Transportation Committee
- Office of the State Actuary
- Joint Legislative Systems Committee
- Redistricting Commission

Executive Branch

Judicial Branch

Supreme Court

- Court of Appeals
- Superior Courts
- District Courts
- Municipal Courts

- Supreme Court Clerk
- Supreme Court Commissioner
- Administrator for the Courts
- Reporter of Decisions
- State Law Library

Statewide Elected Officers

- **Commissioner of Public Lands**
  - Department of Natural Resources
- **Insurance Commissioner**
- **Lieutenant Governor**
- **Treasurer**
  - Public Deposit Protection Commission
- **Governor**
  - **Office of the Governor**
- **Attorney General**
- **Superintendent of Public Instruction**
  - Board of Education
- **Secretary of State**
- **Auditor**

Executive appointed by the Governor

Environment and Natural Resources

- Department of Ecology
- Energy Office
  - *Energy Facility Site Evaluation Council*
- Department of Agriculture
  - *includes commodity commissions*
- Department of Fisheries
- Department of Wildlife
  - *Wildlife Commission*
- Puget Sound Water Quality Authority
- Interagency Committee for Outdoor Recreation
- Pollution Liability Reinsurance Program

General Government

- Office of Financial Management
  - *Efficiency and Accountability Commission*
- Department of General Administration
- Department of Revenue
- Department of Retirement Systems
- Department of Information Services
- Lottery Commission
- Liquor Control Board
- Military Department
- Public Printer
- Office of Administrative Hearings

Transportation

- Washington State Patrol
- Department of Licensing
  - *includes regulatory boards*
- Traffic Safety Commission

Health and Human Services

- Department of Social and Health Services
- Department of Labor and Industries
- Department of Employment Security
- Department of Health
  - *includes regulatory boards*
- Department of Corrections
- Department of Veterans Affairs
- Council for the Prevention of Child Abuse and Neglect
- Washington Basic Health Plan
- Health Care Authority
  - *State Employees Benefits Board*
- Department of Services for the Blind

Education

- School for the Blind
- School for the Deaf
- State Board for Vocational Education

Community and Economic Development

- Department of Community Development
- Department of Trade and Economic Development
- Office of Minority and Women's Business Enterprises
- Commission on Asian-American Affairs
- Governor's Office of Indian Affairs
- African-American Affairs Commission
- State Arts Commission
- Economic Development Finance Authority

Executive appointed by a board which is appointed in whole or in part by the Governor

- State Parks and Recreation Commission
- Environmental Hearings Office
  - *Pollution Control Hearings Board*
  - *Shorelines Hearings Board*
  - *Forest Practices Appeals Board*
  - *Hydraulic Appeals Board*
- State Conservation Commission
- Columbia River Gorge Commission
- Winter Recreation Commission

- Personnel Board
  - *Department of Personnel*
- Personnel Appeals Board
- Utilities and Transportation Commission
- Higher Education Personnel Board
- Committee for Deferred Compensation
- Public Employment Relations Commission
- Board of Tax Appeals
- Public Disclosure Commission
- Board for Volunteer Firefighters
- Board of Accountancy
- Gambling Commission
- Horse Racing Commission
- Professional Athletic Commission
- State Investment Board
- Statute Law Committee
  - *Code Reviser*
- Municipal Research Council
- Economic and Revenue Forecast Council
- Death Investigations Council
- Judicial Council
- Commission on Judicial Conduct

- Transportation Commission
  - *Department of Transportation*
- Board of Pilotage Commissioners
- Marine Employees' Commission
- Air Transportation Commission
- State Maritime Commission

- Human Rights Commission
- Indeterminate Sentence Review Board
- Board of Industrial Insurance Appeals
- Criminal Justice Training Commission
- Sentencing Guidelines Commission
- Washington Health Care Facilities Authority
- Board of Health

- Higher Education Coordinating Board
- Governing Boards of Four Year Institutions of Higher Education
- State Board for Community College Education
- Community College Boards of Trustees
- Washington Institute of Applied Technology
- State Library Commission
  - *State Library*
- Higher Education Facilities Authority

- State Convention and Trade Center
- Commission on Hispanic Affairs
- Housing Finance Commission

Boards not appointed by the Governor

- Board of Natural Resources

- Citizens' Commission on Salaries for Elected Officials
- State Capitol Committee
- State Finance Committee

- County Road Administration Board
- Transportation Improvement Board

- Washington State Historical Society
- Eastern Washington State Historical Society
- State Capital Historical Association

OFM 8/90

Introductory Section

THE SEAL OF THE STATE OF WASHINGTON
1889

STATE OF WASHINGTON
OFFICE OF FINANCIAL MANAGEMENT
Insurance Building, M.S. AQ-44 • Olympia, Washington 98504 • (206) 753-5450

December 12, 1991

The Honorable Booth Gardner, Governor
Members of the Fifty-Third Legislature
State of Washington
Olympia, Washington 98504

In accordance with Chapter 43.88.027 of the Revised Code of Washington, it is my pleasure to transmit to you the Comprehensive Annual Financial Report of the state of Washington for the fiscal year ended June 30, 1991. This report has been prepared by the Office of Financial Management. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the state. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the state. All disclosures necessary to enable the reader to gain an understanding of the state's financial activities have been included.

The report is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section includes this transmittal letter. The Financial Section begins with the State Auditor's report and contains the general purpose financial statements, notes to the financial statements, required supplementary information, combining financial statements by fund type, schedules for account groups, and other schedules. The Statistical Section includes selected financial, economic and demographic data.

The state provides a wide range of services. These include education, social, health, transportation, environmental, law, public safety, resource and recreation development, public improvement, and general administrative services. The accompanying report includes all funds and account groups for which the state exercises oversight responsibility. The determination of "oversight responsibility" is based on criteria established in the Codification of Governmental Accounting and Financial Reporting Standards, section 2100. Note 1.A to the combined financial statements explains more fully which potential component units are included and excluded from the reporting entity.

Economic Condition and Outlook

Fiscal Year 1991 Economic Review

Momentum from the 1980's boom propelled the Washington State economy forward during Fiscal Year 1991. Non-agricultural employment increased by 73,000, a gain of 3.5 percent over Fiscal Year 1990. By comparison, employment nationally increased only 0.1 percent during the same period. Similarly, personal income in Washington State rose 7.5 percent in Fiscal Year 1991, compared to [illegible] percent for the U.S. as a whole.

Growth was distributed very unevenly over the course of Fiscal Year 1991 in Washington State. The year began with the state's economy performing well, and not showing much impact from the national recession which began in the summer of 1990. However, by the end of Fiscal Year 1991, the Washington State economy was in a recession of its own. This was reflected in the state's unemployment rate, which increased from 4.2 percent at the end of Fiscal Year 1990 to 5.9 percent at the end of Fiscal Year 1991.

Rapid population growth resulting from the 1980's economic boom continued in Washington State during Fiscal Year 1991, helping to delay the onset of the recession. Between April 1, 1990 and the same date in 1991, it is estimated that a net in-migration of 95,000 persons occurred in Washington. As a result of the slowdown of the state's economy, net in-migration is projected to fall to 53,000 between April 1, 1991 and the same date in 1992.

Two factors were primarily responsible for the slowdown of the state's economy during Fiscal Year 1991. The 1980's boom was fueled by growth in the aerospace sector, primarily at the Boeing Company. Some reduction in growth of the state's economy was inevitable once aerospace employment reached its peak at the end of the 1980's. Secondly, as Fiscal Year 1991 went on, the national recession had more and more of an impact on the state's economy. This was especially notable in manufacturing industries such as lumber and wood products, primary metals, and transportation equipment other than aerospace. As the recession began to take hold in the state's manufacturing industries, non-manufacturing sectors such as construction and retail trade also began to be affected.

Although many sectors of the Washington State economy were weaker at the end of Fiscal Year 1991 than at the beginning, there were a number of exceptions to this. Because of very rapid population growth in recent years, there has also been significant growth in state and local government, especially in education. Many of the state's "high tech" industries have also weathered the recession well. For example, there are now about 50 biotech companies in Washington State employing approximately 4,000 people. Immunex, the largest firm in this industry, has employment of about 500. Computer software is also a growth industry in Washington. Microsoft and the Aldus Corporation are the largest companies in this industry, which now has total employment of around 10,000.

Economic and Revenue Outlook

The November 1991 Economic and Revenue forecast is based on the November 1991 U.S. economic forecast of Data Resources, Inc. (DRI). This forecast assumes that the national recession ended in the spring of 1991, and that a weak recovery is underway and will continue. DRI predicts that real gross national product will increase 0.8 percent in Fiscal Year 1992, and 3.3 percent in Fiscal Year 1993.

DRI's forecast of a weak national recovery reflects numerous factors, including low levels of consumer and business confidence, high levels of debt and the credit crunch, a sluggish labor market, and tax increases and spending cuts in many states. On the positive side, the forecast calls for relatively low inflation and interest rates. Annual inflation, as measured by the consumer price index, is predicted to be about 3.5 percent. Rates on 30 year U.S. government bonds are predicted to remain below eight percent throughout the 1991-93 Biennium, and mortgage rates are predicted to remain below nine percent. A gradual increase in economic growth is expected during Fiscal Years 1992 and 1993 as low interest rates lead to moderate increases in housing activity, auto sales, and business investment in equipment.

The state forecast calls for the recession which began in Washington late in Fiscal Year 1991 to continue in Fiscal Year 1992. Non-agricultural employment is expected to decline by 12,000, or 0.6 percent during the year. A weak recovery is predicted for Fiscal Year 1993, with employment increasing by about 40,000, or 1.8 percent.

The forecast calls for most sectors of the Washington economy to be affected by the recession. Major non-manufacturing sectors such as retail trade, business services, and construction, which expanded rapidly during the 1980's boom, are already in the process of retrenching, and this is expected to continue. Because of the fall-off in construction activity and the merger of Security Pacific and Seafirst banks, jobs are also expected to be lost in finance, insurance, and real estate. Manufacturing industries have already been affected by the recession, and face other difficulties as well. A small decline in aerospace employment is predicted during Fiscal Year 1993, mainly as a result of cutbacks in military projects at Boeing. A larger decline in lumber and wood products employment is expected as a result of environmental restrictions on timber supply.

The turning point for the Washington economy is expected to be reached by the end of Fiscal Year 1992. The forecast calls for the recovery during Fiscal Year 1993 to be led by a turnaround in construction activity and by growth in services, such as health care services and computer software. Due to what is expected to be a weak recovery by the national economy from recession and the problems of key state manufacturing industries discussed in the preceding paragraph, growth during Fiscal Year 1993 is predicted to be below average.

The Washington economic recession is reflected in the forecast of state revenues. For the 1991-93 Biennium, which ends June 30, 1993, General Fund-State revenues are projected to be $14.558 billion. This is an 8.5 percent increase over the 1989-91 Biennium. After adjusting for the effects of inflation and tax rate, tax base, administrative and accounting changes, this is the smallest increase in revenues since the last recession during the 1981-83 Biennium.

Although the forecast calls for relatively weak economic and revenue growth, most of the risk to this forecast appears to be on the downside. In particular, a growing body of evidence suggests that the U.S. recovery is in trouble, and may be about to stall out completely. If the U.S. economy slides back into recession, a downward revision of the state forecast will be necessary.

Major Initiatives
For The Year

The state continues to pursue initiatives which respond to the growing complexity of life as we enter the 21st Century. In an effort to think ahead about the problems which confront us and to act now to meet those challenges, the state has made progress on the following fronts.

- **Health** - Implementation of many of the recommendations of the two year Study of State Purchased Health Care were undertaken by executive agencies. Successful payment systems, like Diagnosis Related Groups for hospitalization and Resource Based Relative Value Scale for physician services, have been adopted and are being put into operation for several state programs. The Aggregate Health Care Purchasing Database has been created that will give all State policy makers valuable information for assessing the performance of state health care programs, budgeting for health care services and performing health policy analyses. The database was developed by the Department of Health, in cooperation with all state agencies engaged in the delivery or purchase of health care services, and will produce its initial set of standard reports by the end of the calendar year.

- **Work Force Training** - The Governor's request bill on work force training creates, for the first time in Washington, a coordinated system for work force education and training. Until this year, Washington's training system was not really a system, but instead a hodgepodge of fragmented programs. Now, secondary vocational education, technical colleges, community college vocational education, programs under the job training partnership act, apprenticeships, and adult literacy programs will be coordinated by a Work Force Training and Education Coordinating board. This board will establish a comprehensive plan for work force training, set standards for data collection and program evaluation, and facilitate innovative programs. The request bill also streamlines the state level administration of post-secondary work force education by placing the community colleges, the Washington Institute for Applied Technology (renamed the Seattle Vocational Institute), programs for adult literacy, and the vocational technical institutes (renamed technical colleges) under a single State Board for Community and Technical Colleges. As part of this structure, again for the first time, the state will have a single state office for adult literacy.

- **Growth** - The Governor and Legislature fulfilled their commitment to ensure effective growth management in the state with the passage of Reengrossed Substitute House Bill 1025. This legislation, developed in cooperation with all four legislative caucuses, implements the main recommendations of the Governor's Growth Strategies Commission. It defines the role of the state in growth management by establishing new regional boards to resolve land use planning disputes, provides for sanctions if plans do not follow these boards' decisions, and gives the state a role in evaluating local plans. The legislation maintains the central focus on local decision-making in land use, making local plans valid on adoption and requiring state agencies activities to be consistent with new local plans. The legislation also requires agreements between cities and counties to ensure that local plans work well together. It expands existing environmental protection by requiring local protection of environmentally sensitive land in all counties in the state.

- **Environment** - Three significant bills in the environmental protection area were enacted into law this year. First, a comprehensive air quality bill was signed into law by the Governor with specific programs addressing motor vehicle, industrial, wood stove and outdoor burning pollution sources. This bill is funded primarily by a $2 increase in annual vehicle registration fees. Second, legislation was passed and signed which sets up a major program called transportation demand management.

The focus of this effort is a requirement that major employers (over 100 employees), in counties with heavy air pollution or congestion problems, draw up detailed plans to encourage employees to use modes of transportation other than single occupancy vehicles. Third, the Governor's request bill on oil spill prevention was also passed and signed into law. This bill requires both on-shore facilities and vessels to draw up detailed prevention plans to reduce the risk of accidental spills in the state's marine waters. The bill also sets up a separate state agency, the Office of Marine Safety, to oversee implementation of the various safety provisions related to vessel operation required by the bill.

In addition, at the request of the Governor, the Legislature agreed to fund $60 million for state agency and local acquisition of environmentally sensitive lands. This is the second year of funding for this program; in the 1990 session, the Legislature approved funding for $53 million for acquisition projects.

- **Energy** - Legislation was enacted this year which directed state agencies and school districts to pursue energy efficiency at their facilities, and allows them to retain all savings which result from this conservation. They also are encouraged to sell energy savings to local utilities, and may retain a portion of any revenue generated. The State Energy Office is directed to assist state agencies in identifying, evaluating, financing, and developing cost-effective, cogeneration plants; consulting with local utilities on the feasibility of such plants; and offering the utilities the initial opportunity to participate in the development of any project. Additionally, the State Energy Office is directed to develop a state energy strategy by December 1992, which will serve as a framework within which energy decisions can be evaluated.

For The Future

To ensure a stable and prosperous future for its citizens, the state must continue to address these significant public policy issues in the coming year.

- **Health** - The Report of the Health Care Commission, established in cooperation with the Legislature under provisions of House Concurrent Resolution 4443 of 1990, will be used as the basis of a Health Care Reform proposal the Governor will place before the 1992 Session. Greater assurance of effective cost containment and improved service access will be cornerstones of that new initiative. There is a compelling need to make necessary care available to all of the state citizenry. However, state revenues cannot keep pace with health care spending. This biennium the state will spend $600 million more on health care than it did two years ago. Businesses of the state find themselves in the same situation. It is no longer a question of whether the wildly escalating costs of health care will be dealt with, but exactly how the public and private sectors, together with consumers, will go about bringing those costs under control.

- **Education** - The Governor's Council on Education Reform and Funding, comprising teachers, school administrators, legislators, business people and community leaders, is working to design a long-term strategy to take Washington's public school system into the 21st century. The Council has begun this task by discussing what students should know and be able to do. During the next year, the Council will be examining state policy and funding options. Major subjects to be considered include preparation and training of school staff, new ways to assess students' progress, the use of technology in the schools, and linkages with social and other community services. Final recommendations will be published in late 1992.

Financial Information

Internal Controls

The state is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the state are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal accounting controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

The state implemented a revised internal control policy during Fiscal Year 1991. This is a proactive policy. We will assess the adequacy of our systems of internal control on an on-going basis, improving them where weaknesses are found. This will help assure that the state maintains public accountability for years to come.

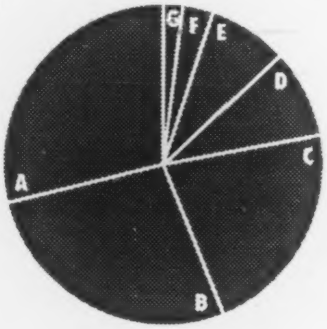
Budgeting Controls

Budgetary control is maintained through legislative appropriation and the Executive branch allotment process. The Governor is required to submit a biennial budget to the state Legislature. The budget is legally required to be adopted through passage of appropriation bills by the Legislature with approval by the Governor. The appropriated funds are controlled by the Executive branch through an allotment process. This process allocates the appropriation into monthly allotments by program, source of funds, and object of expenditure. Nonappropriated governmental funds (primarily local college and university funds) are also subject to allotment control by the Executive branch. The state also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at the end of the biennium. However, capital encumbrances are generally reappropriated as part of the following biennial budget.

The state's budgetary policies and procedures, fund accounting structure, and basis of accounting are explained in detail in Note 1.D of the notes to the financial statements.

A graphical representation of general government expenditures by object.

All Governmental Funds



Legend

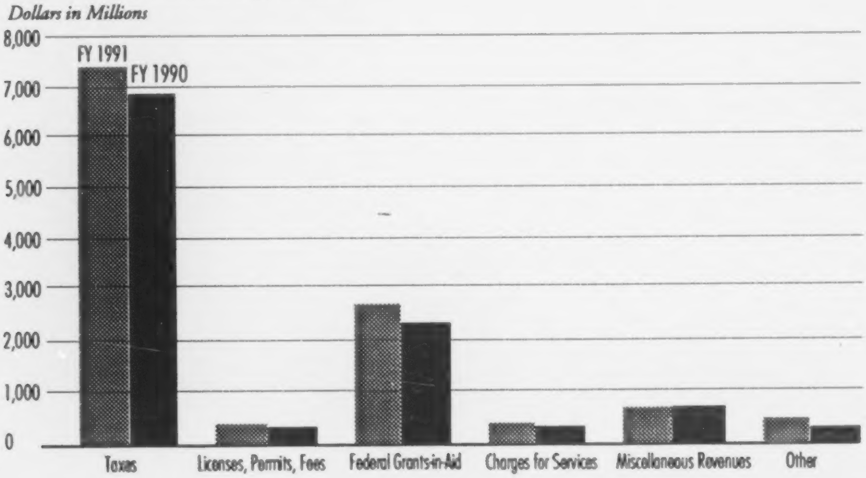
A	Other Grants	29%
B	K-12 Basic Education Grants	27%
C	Salaries and Benefits	22%
D	Capital Projects	9%
E	Goods and Services	8%
F	Debt Service	3%
G	Other	2%

General Government Functions

General governmental activities are accounted for in four governmental fund types: the general, special revenue, debt service, and capital projects funds. Revenue for general governmental functions totaled $11.8 billion for the fiscal year ended June 30, 1991. This represents an increase of 9.1 percent over revenue for the fiscal year ended June 30, 1990.

Taxes, the largest source of general governmental revenue, produced 63.7 percent of revenues. Although, this percent is a slight decrease from Fiscal Year 1990, actual tax revenues increased by $545 million. Much of this increase was attributable to growth in the state's population and personal income during 1991 which increased sales tax collections by $289 million or 8.8 percent. The manufacturing and service industry for 1991 also produced an additional $20 million or 1.8 percent increase in the Business and Occupation taxes.

General Government Revenues



A graphical representation of general government revenues from various sources for Fiscal Years 1991 and 1990.

Revenues	1991 Amount	1991 % of Total	1990 Amount	1990 % of Total	Increase (Decrease) From 1990
Taxes	$ 7,544	63.7	$ 6,999	64.5	$ 545
Licenses, Permits and Fees	382	3.2	345	3.2	37
Federal Grants-in-Aid	2,781	23.5	2,414	22.3	367
Charges for Services	400	3.4	360	3.3	40
Miscellaneous Revenues	728	6.2	727	6.7	1
Total Revenues	11,835	100.0	10,845	100.0	990
Net Other Financing Sources (Uses)	499		328		171
Total Revenue and Other Sources (Uses)	$ 12,334		$ 11,173		$ 1,161

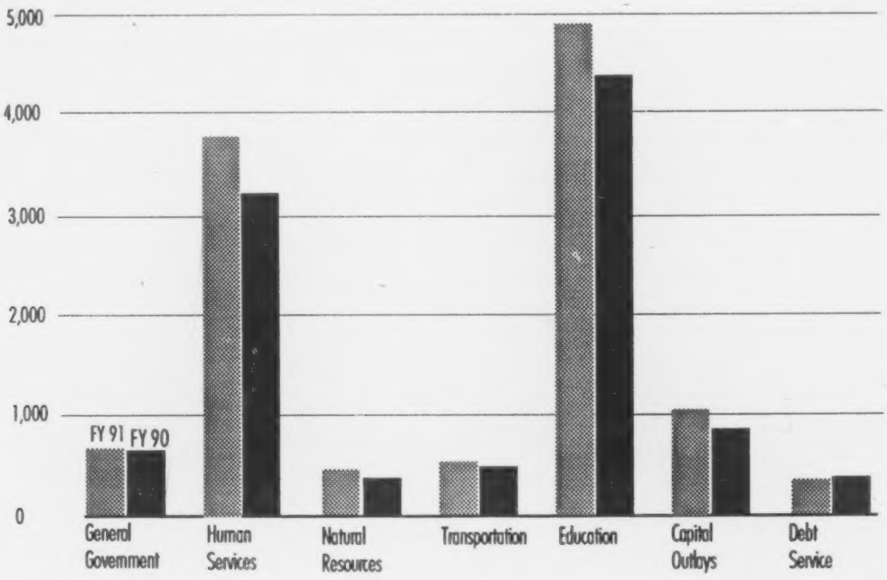
This table depicts the changes between the years (expressed in millions).

Miscellaneous Revenues remained relatively constant for Fiscal Year 1991. The two major sources of miscellaneous revenues are earnings from state investments which increased by $27 million or 15.3 percent, and property and timber management fees which decreased by $22 million or 7.9 percent.

A graphical representation of general governmental expenditures by function for Fiscal Years 1991 and 1990.

General Government Expenditures by Function

Dollars in Millions



This table depicts the changes between the years (expressed in millions).

Expenditures	*1991* *Amount*	*1991* *% of Total*	*1990* *Amount*	*1990* *% of Total*	*Increase (Decrease) From 1990*
Current:					
General Government	$ 749	6.1	$ 682	6.5	$ 67
Human Services	3,840	31.5	3,255	30.9	585
Natural Resources	528	4.3	391	3.7	137
Transportation	611	5.0	491	4.7	120
Education	4,972	40.7	4,398	41.9	574
Capital Outlays	1,095	9.0	887	8.4	208
Debt Service	416	3.4	402	3.9	14
Total Expenditures	$12,211	100.0	$10,506	100.0	$1,705

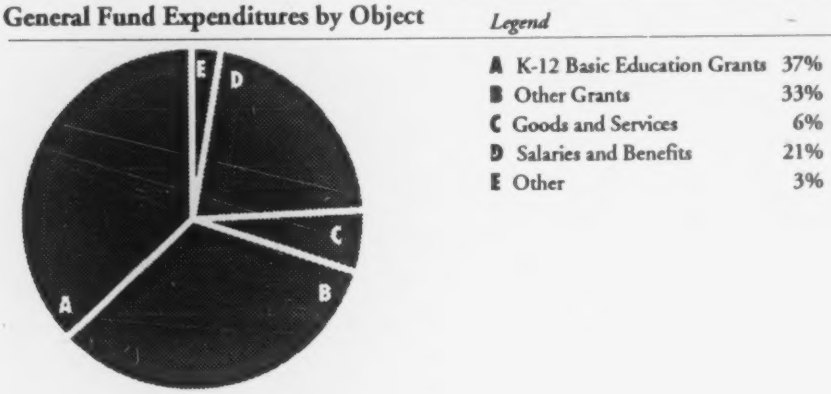
The population growth during 1991 increased demands for Education and Human Services in the form of K-12, higher education, job training, and general low income assistance. Specifically, human services expenditures increased $585 million due to an increase in case loads and medical expenses at the Department of Social and Health Services. Also, education expenditures increased by $574 million with the higher enrollments in local school districts and the state's colleges and universities. All expenditures for governmental activities totaled $12.2 billion for fiscal year ended June 30, 1991, or a 16.2 percent increase from 1990.

General Fund

The fund balance of the General Fund totaled $1.5 billion as of June 30, 1991, representing a decrease of $148 million, or 9.1 percent, from that of the previous fiscal year end balance. This is largely due to the general downturn in the national economy which occurred during Fiscal Year 1991. Total budgeted expenditures of the General Fund include 49.2 percent for local school districts and state higher education and 41.2 percent for human services.

In addition to the undesignated General Fund balance at June 30, 1991, the state has $260 million available in the Budget Stabilization Account. This account was created during the 1981 Legislative session. State revenues are transferred from the General Fund to the Budget Stabilization Account during favorable periods of economic activity, thus providing a resource for the stable financing of essential state services during periods of revenue shortfalls. Money in this account may be appropriated for specific purposes by a favorable vote of 60 percent of the members elected to each house of the Legislature.

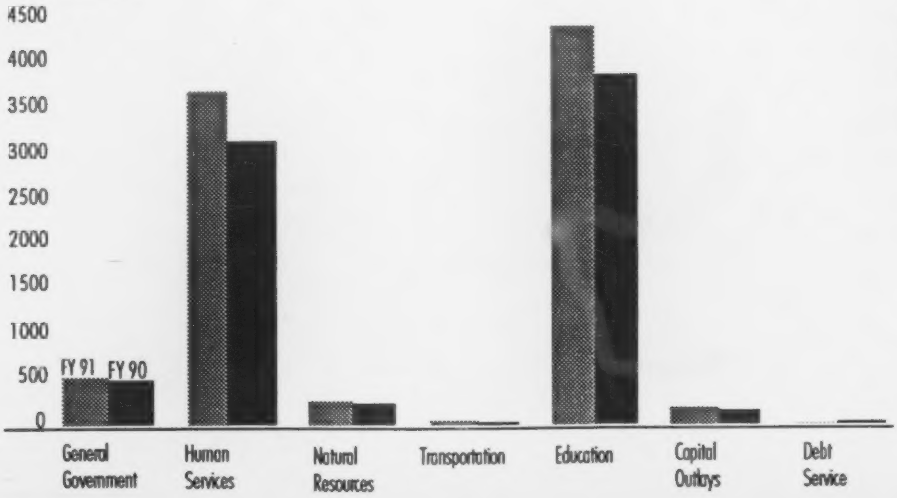
General Fund Expenditures by Object



A graphical representation of General Fund expenditures by object.

General Fund Expenditures by Function

Dollars in Millions



A graphical representation of General Fund expenditures by function for Fiscal Years 1991 and 1990.

This table depicts the changes between the years (expressed in millions).

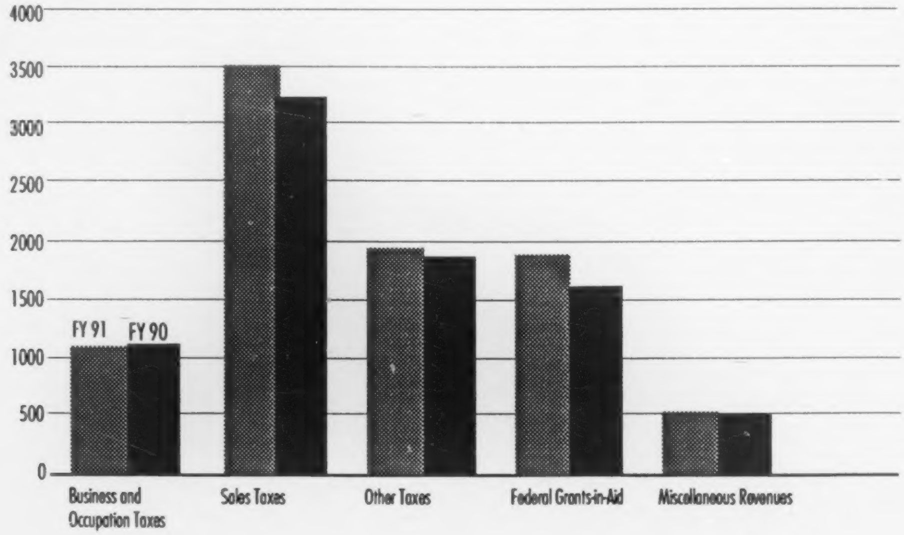
Expenditures	1991 *Amount*	1991 *% of Total*	1990 *Amount*	1990 *% of Total*	*Increase (Decrease) From 1990*
Current:					
General Government	$ 499	5.5	$ 466	5.9	$ 33
Human Services	3,688	40.9	3,126	39.8	562
Natural Resources	249	2.8	214	2.7	35
Transportation	38	.4	31	.4	7
Education	4,382	48.5	3,877	49.4	505
Capital Outlays	165	1.8	130	1.6	35
Debt Service	4	.1	13	.2	(9)
Total Expenditures	$9,025	100.0	$7,857	100.0	$1,168

Expenditures for General Fund activities totaled $9.0 billion for the Fiscal Year ended June 30, 1991, representing a 14.9 percent increase from 1990. This expenditure increase parallels the increases in education and human services as discussed earlier under General Government Functions. Additionally, revenue increases in the General Fund parallel the increases in taxes as discussed for the general governmental revenue. Specifically, sales taxes, the largest source of general fund revenue, produced 39 percent of total revenues.This percent is a slight increase from Fiscal Year 1990, representing an additional $287 million in actual sales tax revenues.

A graphical representation of General Fund revenues by source for Fiscal Years 1991 and 1990.

General Fund Revenues by Source

Dollars in Millions



Revenue Source	1991 Amount	1991 % of Total	1990 Amount	1990 % of Total	Increase (Decrease) From 1990
Business & Occupation Taxes	$1,155	12.6	$1,135	13.4	$ 20
Sales Taxes	3,582	39.1	3,295	38.8	287
Other Taxes	1,976	21.5	1,892	22.3	84
Federal Grants-in-Aid	1,911	20.8	1,643	19.4	268
Miscellaneous Revenues	550	6.0	517	6.1	33
Total Revenues	$ 9,174	100.0	$8,482	100.0	$692

This table depicts the changes between years (expressed in millions).

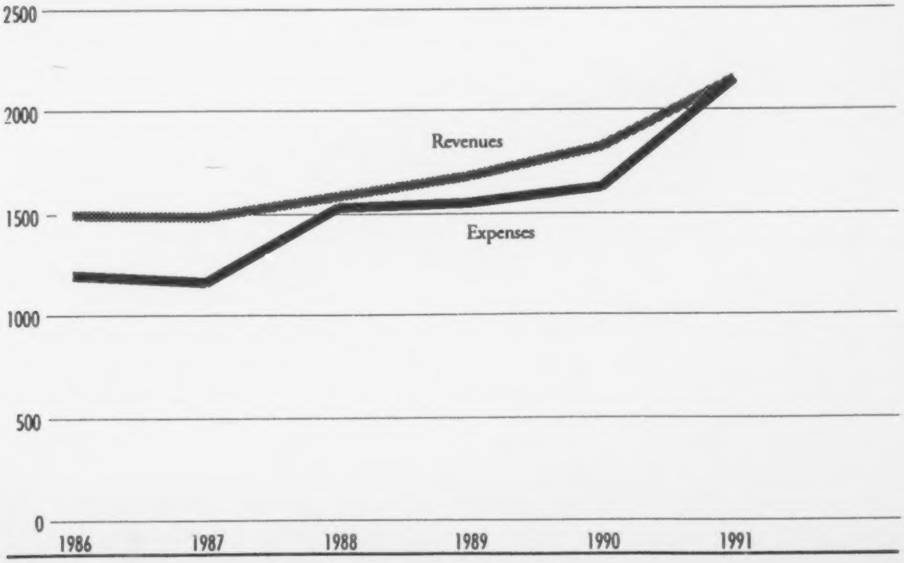
Enterprise Operations

The state's enterprise operations are comprised of seven separate and distinct activities ranging from operation of the Convention and Trade Center to operation of the State Lottery to management of the State Ferry System. A brief description of each enterprise operation is presented in Note 5 of the notes to the financial statements.

Combined operating and non-operating revenues for the state's enterprise funds increased from $1.83 billion in Fiscal Year 1990 to $2.16 billion in Fiscal Year 1991. This $330 million increase is primarily due to a premium rate increase, an increase in reported employee hours, an increase in investment income, and includes the supplemental pension cost of living adjustment (COLA) revenue in the workers' compensation program. Previously, the COLA revenue was reported in the Human Services Trust Fund. New governmental insurance program financial reporting standards require that the COLA's activity be reported along with the remainder of the workers' compensation program as an enterprise fund. Enterprise fund revenues also increased due to inflation in the state ferry and tolls, and in fees at the colleges and universities, along with increased Lottery demand.

Enterprise Fund Combined Revenues and Expenses

Dollars in Millions



A graphical representation of enterprise fund combined revenues and expenses.

Combined operating and non-operating expenses increased from $1.63 billion to $2.16 billion during the same period. This $530 million increase is primarily due to reporting the workers' compensation program COLA as an enterprise activity. Also, the workers' compensation expenses increased due to a general increase in average wages of insured employees and medical cost inflation. There were also inflationary expense increases in state ferry and toll expenses, in colleges and universities, and increased lottery prize payments.

Outstanding enterprise fund bonds at June 30, 1991 totaled $400 million. These bonds were issued primarily to provide educational and convention facilities.

Retirement Systems

Valuations are performed for most of the state's pension systems on a calendar year basis, however, Teachers' Retirement System (TRS) is on a fiscal year basis. At the close of the 1990 valuation year, total net assets of the state's pension trust funds reached $13.5 billion. The latest actuarial present value of accumulated benefits exceeded the value of net actuarial value of assets available for benefits by $4.8 billion. The funding ratio for all funds combined was 74 percent which represents a three percent decrease over the prior year. These calculations reflect actual figures available at publication date versus projection figures used in the valuations for TRS.

Debt Administration

In January of 1990, the state received an upgrade to its bond rating from Moody's Investors Service from "A1" to "Aa." The bond rating from Standard and Poor's Corporation remained "AA." These bond ratings are primarily a reflection of the state's sound financial management. The upgrade in the rating from Moody's Investors Service in January 1990 also reflected the economic boom that was occurring in Washington at that time. Although this boom has now ended, and the Washington economy, like that of most other states, is now in a recession, prudent financial management practices in Washington will help to offset the effects of the recession on state government. The most important of these financial management practices was the establishment, during the period of very strong economic growth, of a $260 million Budget Stabilization Account to be used during periods of weaker economic growth.

The State Treasurer continued administration of a lease/purchase program originally implemented in Fiscal Year 1990. The program allows state agencies to finance the acquisition of fixed assets at municipal bond interest rates, effecting significant savings to the state. As of June 30, 1991, 41 agencies had negotiated lease/purchase contracts for equipment valued at $30.3 million. The program is currently being funded with a negotiated line of credit.

Lease/purchase real estate and construction financing was employed in state government for the first time during Fiscal Year 1991 for the Department of Ecology headquarters building. When completed, this facility will enable the department to centralize its staff from 19 sites in Thurston County. It will also enable the department to build equity in its office space — an opportunity heretofore unavailable. A total of $78,820,000 of certificates of participation were issued in May 1991. Approximately $49.9 million was raised for construction and site acquisition. The balance included reserves, capitalized interest, and issuance costs.

Outstanding general long-term bonded debt as of June 30, 1991 totaled $3.7 billion, an increase of 10.6 percent over June 30, 1990. Bonds were issued primarily to provide for capital projects.

The table presents a summary of general obligation bonds issued during Fiscal Year 1991

Date of Issue	*Amounts Millions*	*True Interest Cost*
July 1990		
Convention Center, Series AT-5*	$ 21.3	6.95%
General Obligation Series 1990B	185.0	6.89%
Motor Vehicle Fuel Tax		
G.O., Series III-F	10.0	6.90%
September 1990		
College Savings**	22.4	7.23%
February 1991		
G.O., Series 1991A	200.0	6.47%
June 1991		
G.O., Series 1991B	150.0	6.80%
Motor Vehicle Fuel Tax		
G.O., Series B-8	5.0	6.85%

* *Convention Center (zero coupon) Bonds issued in the accreted value at maturity amount of $54,240,000 with proceeds received by the state of $21.3 million.*

** *College Savings (zero coupon) Bonds issued in the accreted value at maturity amount of $50.0 million with proceeds received by the state of $22.4 million.*

General obligation debt is subject to statutory limitations as prescribed by the Washington State Constitution and the Revised Code of Washington. For the fiscal year ended June 30, 1991, the maximum debt authorization subject to limitation is $3,213.9 million.

The ratio of general long-term bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the state's debt position. These ratios as of June 30, 1991, are as follows:

	Amount (Millions)	*Ratio of Debt to Assessed Value*	*Debt per Capita*
General Long-Term Bonded Debt	$ 3,721	1.58%	$ 756

Cash Management

Statutes provide that certain excess cash balances in the state treasury may be invested by the Office of State Treasurer (OST) through the use of the Cash Management Account. Specifically excluded from the OST Cash Management Account are pension funds, workers' compensation funds, and certain dedicated permanent funds.

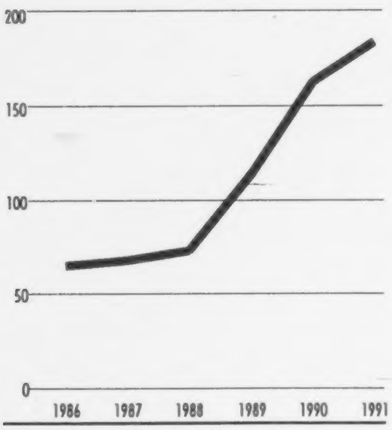
OST investment transactions during Fiscal Year 1991 were limited to U.S. Treasury and Agency securities, repurchase agreements, reverse repurchase agreements, certificates of deposit with qualified public depositories, and bankers' acceptances.

Total earnings from investment of the Cash Management Account balances for Fiscal Year 1991 exceeded $187 million, representing a 12.7 percent increase from Fiscal Year 1990. This increase resulted from a growth in the size of the investment portfolios. Investment earnings are distributed on an 80/20 percent basis; i.e., the participating funds receive 80 percent and the General Fund receives 20 percent based on the funds' average daily balances.

A graphical representation of earnings on investments.

Earnings on Investments

Dollars in Millions



Insurance Activities

The state now has three insurance programs operated and accounted for as insurance businesses. Fiscal year 1991 saw the last program, risk management, join the workers' compensation and the state employees insurance program as actuarially reviewed and managed programs. This last change brings all insurance activities from a cash basis to a full accrual basis in determining premium charges paid by such insurance consumers as state agencies, local governments, and private employers. Notes 1.I and 3.I of the Notes to the Financial Statements disclose the specific programs and claims liability changes during fiscal year 1991 for each insurance program.

Liabilities of the workers' compensation insurance activity amount to $7.6 billion as of June 30, 1991. The liability includes $3.5 billion for supplemental pension cost of living adjustments (COLA) that by statute are not to be fully funded. This COLA is funded on a pay-as-you-go basis and Labor and Industries (L&I) actuaries have indicated that future premium payments will be sufficient to pay these claims as they come due. However, L&I has organized a task force composed of representatives from state labor and management communities to analyze the affect of not fully funding the COLA. This analysis includes projecting long-term COLA cash flows and equity positions under various economic assumptions and determining what economic risk the state may encounter as a result of the current pay-as-you-go basis for paying the COLA. At the same time, the remaining $4.1 billion in claim liability is fully funded by $4.6 billion in assets, including $4.2 billion of long-term investments, held in payment of the claims.

The risk management insurance activity liabilities amount to $61.2 million as of June 30, 1991. This liability is currently funded by $25.6 million in cash equivalents and based on current actuarial assumptions, will be fully funded with future premiums by the year 2000.

State employees insurance activities have liabilities at June 30, 1991 amounting to $25.2 million which are fully funded with investments totaling $25.2 million.

Other Information

Independent Audit

State statutes require an annual audit by the Office of State Auditor (SAO). The State Auditor is an independently elected public official. The state is also required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget Circular A-128, Audits of State and Local Governments.

SAO conducts the audit of all state agencies. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the federal single audit. The auditor's report on the general purpose financial statements is included in the financial section of this report. The auditor's report related to the single audit, including the schedule of federal financial assistance, findings and recommendations, and report on the internal control structure and compliance with applicable laws and regulations, will be published in a separate report. Copies may be obtained from the Office of State Auditor, Legislative Building, Mail Stop: AS-21, Olympia, Washington 98504-0021.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Washington State for its Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 1990. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA.

Acknowledgement

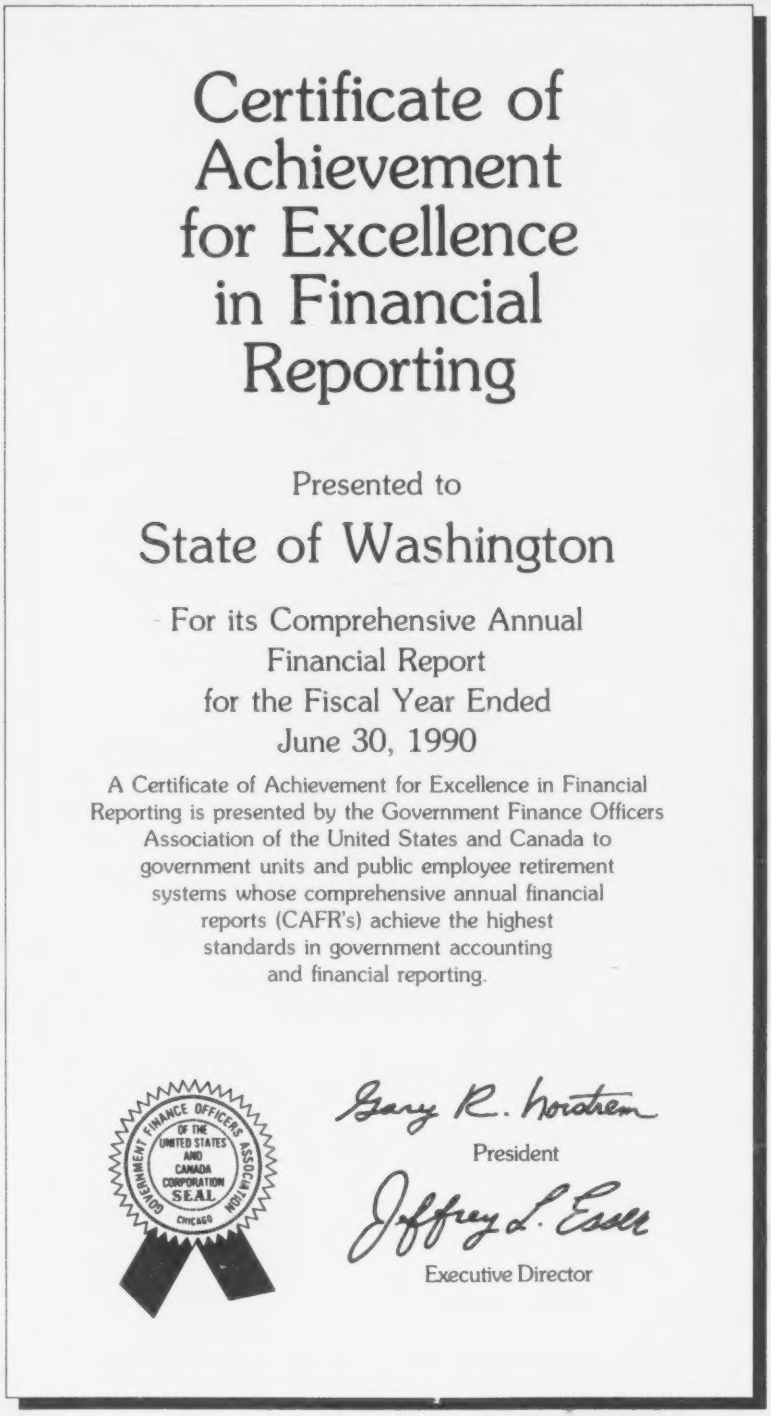
I wish to express my sincere appreciation to the many individuals whose dedicated efforts have made this report possible. The preparation of this report could not have been accomplished without the professionalism and dedication demonstrated by the financial and management personnel of each state agency and institution of higher education and the dedicated staff within the Office of Financial Management.

This Comprehensive Annual Financial Report reflects the commitment by the present administration to the Legislature, citizens of Washington State, and to the financial community to maintain our financial statements in conformance with the highest standards of financial accountability.

Sincerely,

Len McComb

Len McComb
Director



Certificate of Achievement for Excellence in Financial Reporting

Presented to

State of Washington

For its Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 1990

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFR's) achieve the highest standards in government accounting and financial reporting.

Gary R. Norstrem
President

Jeffrey L. Esser
Executive Director

Financial Section

THE SEAL OF THE STATE OF WASHINGTON
1889

STATE
AUDITOR'S
OFFICE

Robert V. Graham
STATE AUDITOR

Jack Heinricher
ASSISTANT STATE AUDITOR

December 12, 1991

INDEPENDENT AUDITOR'S REPORT

The Honorable Booth Gardner
Governor, State of Washington

Dear Governor Gardner:

We have audited the accompanying general purpose financial statements of the state of Washington as of and for the year ended June 30, 1991. These financial statements are the responsibility of the state's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the state of Washington as of June 30, 1991, and the results of its operations and cash flows of its proprietary and similar trust funds for the year then ended, in conformity with generally accepted accounting principles.

As discussed in Note 4 to the financial statements, the state of Washington made fund type reclassifications of certain funds and accounts, changed its method of accounting for insurance activity, and changed its method of accounting for timber sales contracts, in 1991.

As discussed in Note 8 to the financial statements, the state of Washington is a defendant in a legal proceeding. The ultimate outcome of this litigation cannot presently be determined. Accordingly, no provision for any liability that may result upon adjudication has been made in the accompanying financial statements.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and account group financial statements and schedules listed in the table of contents, and the budgetary reports (MFS 1054 and MFS 1064) referenced in Note 1.D. are for purposes of additional analysis and are not a required part of the general purpose financial statements of the state of Washington. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

The statistical section of this report is not a required part of the general purpose financial statements, and we did not audit or apply limited procedures to such information and do not express any assurance on such information.

Very truly yours,

Robert V Graham

ROBERT V. GRAHAM
STATE AUDITOR

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Recycle

General Purpose Financial Statements

Combined Balance Sheet - All Fund Types and Account Groups

June 30, 1991

expressed in thousands

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Assets and Other Debits				
Assets:				
Cash and pooled investments	$ 986,588	$ 1,013,273	$ 101,056	$ 47,673
Investments	821	6,116	-	84
Taxes receivable (net of allowance)	1,258,329	8,484	-	-
Other receivables (net of allowance)	95,871	62,540	9,326	169
Due from other funds	193,560	173,121	10,337	148,486
Due from other governments	377,911	126,815	-	-
Inventories	12,299	20,140	-	-
Prepaid expenses	-	-	-	-
Other nonfixed assets	-	-	-	-
Land	-	-	-	-
Buildings	-	-	-	-
Other improvements and miscellaneous	-	-	-	-
Furnishings and equipment	-	-	-	-
Accumulated depreciation	-	-	-	-
Construction in progress	-	-	-	-
Other Debits:				
Amount available in debt service funds	-	-	-	-
Amount to be provided for retirement of general long-term obligations	-	-	-	-
Total Assets and Other Debits	$ 2,925,379	$ 1,410,489	$ 120,719	$ 196,412
Liabilities, Fund Equity and Other Credits				
Liabilities:				
Accounts payable	$ 385,846	$ 98,549	$ -	$ 15,287
Contracts and retainages payable	17,467	59,427	1,261	12,708
Accrued liabilities	90,176	48,146	895	320
Matured bonds payable	-	-	-	-
Due to other funds	240,355	82,379	2	29,437
Due to other governments	25,069	14,443	-	116
Deferred revenues	653,059	72,808	-	228
Claims and judgements payable	35,458	-	-	-
Claims and judgements payable - Long-Term	-	-	-	-
Bonds payable	-	-	-	-
Accrued retirement obligations	-	-	-	-
Other long-term obligations	-	-	-	-
Total Liabilities	1,447,430	375,752	2,158	58,096
Fund Equity and Other Credits:				
Unrealized gain on investments	-	-	-	-
Contributed capital	-	-	-	-
Investment in general fixed assets	-	-	-	-
Retained earnings:				
Unreserved	-	-	-	-
Fund balances:				
Reserved for:				
Encumbrances	2,702	160,849	-	106,964
Inventories	11,273	20,140	-	-
Restricted accounts	477,742	-	-	-
Nonexpendable trust corpus	-	-	-	-
Unemployment compensation	-	-	-	-
Retirement systems	-	-	-	-
Working capital	374,750	-	-	-
Other specific purposes	145,733	14,449	-	109
Unreserved:				
Designated for debt service	-	-	118,561	-
Designated for other specific purposes		87,845		31,243
Undesignated	465,749	751,454	-	-
Total Fund Equity and Other Credits	1,477,949	1,034,737	118,561	138,316
Total Liabilities, Fund Equity and Other Credits	$ 2,925,379	$ 1,410,489	$ 120,719	$ 196,412

The notes to the financial statements are an integral part of this statement.

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	Long-Term Obligations	June 30, 1991	June 30, 1990
$ 179,619	$ 105,703	$ 3,700,304	$ -	$ -	$ 6,134,216	$ 5,125,546
4,529,842	25,361	15,640,634	-	-	20,202,858	18,396,786
2,569	-	-	-	-	1,269,382	1,190,787
395,270	3,818	348,947	-	-	915,941	946,743
87,224	42,118	198,508	-	-	853,354	535,569
18,043	7,345	112,292	-	-	642,406	504,989
44,591	18,779	271	-	-	96,080	115,614
2,724	551	-	-	-	3,275	2,471
253	-	39	-	-	292	69,353
28,886	1,252	-	526,920	-	557,058	408,407
739,366	15,092	-	2,189,968	-	2,944,426	2,744,922
137,281	5,743	-	466,395	-	609,419	571,609
460,532	353,016	-	793,420	-	1,606,968	1,433,745
(353,938)	(205,613)	-	(1,236,317)	-	(1,795,868)	(1,640,210)
32,693	3,755	-	267,367	-	303,815	205,165
-	-	-	-	118,561	118,561	109,118
-	-	-	-	4,585,400	4,585,400	7,429,894
$ 6,304,955	$ 376,920	$ 20,000,995	$ 3,007,753	$ 4,703,961	$ 39,047,583	$ 38,150,508
$ 47,391	$ 23,328	$ 15,601	$ -	$ -	$ 586,002	$ 383,308
39,663	5,974	15,462	-	-	151,962	134,636
110,263	15,075	159,918	-	-	424,793	348,177
11,749	-	-	-	-	11,749	11,628
61,275	13,780	426,126	-	-	853,354	535,569
1,421	91	1,678,748	-	-	1,719,888	1,109,701
13,800	5,961	24,356	-	-	770,212	983,792
699,000	32,463	-	-	-	766,921	653,137
6,876,892	53,982	-	-	-	6,930,874	6,408,788
388,735	-	-	-	3,721,033	4,109,768	3,665,765
-	-	-	-	791,400	791,400	801,700
204,866	6,449	256,909	-	191,528	659,752	609,261
8,455,055	157,103	2,577,120	-	4,703,961	17,776,675	15,645,462
56,284	-	-	-	-	56,284	45,656
560,367	34,128	-	-	-	594,495	550,722
-	-	-	3,007,753	-	3,007,753	2,602,723
(2,766,751)	185,689	-	-	-	(2,581,062)	749,760
-	-	-	-	-	270,515	508,072
-	-	271	-	-	31,684	32,430
-	-	-	-	-	477,742	459,086
-	-	664,964	-	-	664,964	614,109
-	-	1,665,027	-	-	1,665,027	1,503,396
-	-	14,862,983	-	-	14,862,983	13,573,540
-	-	-	-	-	374,750	332,535
-	-	120,260	-	-	280,551	200,096
-	-	-	-	-	118,561	109,118
		4,919			124,007	72,312
-	-	105,451	-	-	1,322,654	1,151,491
(2,150,100)	219,817	17,423,875	3,007,753	-	21,270,908	22,505,046
$ 6,304,955	$ 376,920	$ 20,000,995	$ 3,007,753	$ 4,703,961	$ 39,047,583	$ 38,150,508

Combined Statement of Revenues, Expenditures, and Changes in Fund Balance All Governmental Fund Types and Expendable Trust Funds For the Fiscal Year Ended June 30, 1991

(expressed in thousands)

	Governmental Fund Types				Fiduciary Fund Type	Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	Year Ended June 30, 1991	Year Ended June 30, 1990
Revenues:							
Retail sales taxes	$ 3,582,346	$ 2,654	$ -	$ -	$ -	$ 3,585,000	$ 3,296,189
Business and occupation taxes	1,154,768	-	-	-	-	1,154,768	1,134,861
Property taxes	742,440	-	-	-	-	742,440	680,956
Excise taxes	626,082	101,868	-	-	-	727,950	692,113
Motor vehicle and fuel taxes	5,365	581,606	-	-	-	586,971	491,315
Other taxes	601,993	145,034	-	-	-	747,027	703,795
Licenses, permits, and fees	71,803	310,047	-	-	134	381,984	345,454
Federal grants-in-aid	1,910,843	869,812	164	-	135,178	2,915,997	2,548,656
Charges for services	220,413	164,003	-	15,337	12,204	411,957	370,218
Unemployment comp. contributions	-	-	-	-	547,203	547,203	562,682
Miscellaneous revenue	258,324	441,951	14,357	13,838	200,522	928,992	1,048,778
Total Revenues	9,174,377	2,616,975	14,521	29,175	895,241	12,730,289	11,875,017
Expenditures:							
Current:							
General government	498,727	243,284	-	7,046	40,169	789,226	731,730
Human services	3,687,353	136,557	-	15,873	557,887	4,397,670	3,775,343
Natural resources and recreation	249,365	261,409	-	17,324	2,918	531,016	391,465
Transportation	37,986	572,041	-	842	127	610,996	490,582
Education	4,381,444	563,067	-	27,470	130,583	5,102,564	4,514,628
Capital outlays	165,164	722,745	-	207,585	73,318	1,168,812	887,715
Debt service:							
Principal	3,685	5,950	155,520	219	4	165,378	168,956
Interest	789	1,702	237,330	10,467	20	250,308	232,935
Total Expenditures	9,024,513	2,506,755	392,850	286,826	805,026	13,015,970	11,193,354
Excess of Revenues Over (Under) Expenditures	149,864	110,220	(378,329)	(257,651)	90,215	(285,681)	681,663
Other Financing Sources (Uses):							
Bond sale proceeds	-	130,722	-	377,450	-	508,172	171,114
Proceeds of refunding bonds	-	-	-	-	-	-	127,277
Payment to refunded bond escrow agent	-	-	-	-	-	-	(127,130)
Note proceeds	-	-	-	-	-	-	-
Operating transfers in	235,621	80,352	415,796	70,604	132,866	935,239	1,130,448
Operating transfers out	(544,287)	(215,302)	(28,024)	(39,663)	(25,713)	(852,989)	(1,006,290)
Capital lease acquisitions	7,770	7,279	-	280	-	15,329	11,498
Total Other Financing Sources (Uses)	(300,896)	3,051	387,772	408,671	107,153	605,751	306,917
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(151,032)	113,271	9,443	151,020	197,368	320,070	988,580
Fund Balances:							
Fund balances as restated, July 1	1,628,981	920,391	109,118	(13,008)	1,698,563	4,344,045	3,379,759
Residual equity transfers in	-	1,381	-	381	1	1,763	340
Residual equity transfers out	-	(306)	-	(77)	-	(383)	(141)
Fund Balances, June 30	$ 1,477,949	$ 1,034,737	$ 118,561	$ 138,316	$ 1,895,932	$ 4,665,495	$ 4,368,538

The notes to the financial statements are an integral part of this statement.

Combined Statement of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual All Governmental Fund Types For the Biennium Ended June 30, 1991

(expressed in thousands)

	General Fund			Special Revenue Funds		
	Approved Budget 1989-91 Biennium	**Actual For 1989-91 Biennium**	**Variance Favorable (Unfavor able)**	**Approved Budget 1989-91 Biennium**	**Actual For 1989-91 Biennium**	**Variance Favorable (Unfavor able)**
Revenues:						
Taxes	$ 13,022,759	$ 13,034,941	$ 12,182	$ 1,519,996	$ 1,508,444	$ (11,552)
Licenses, permits, and fees	132,337	138,254	5,917	585,549	589,001	3,452
Federal grants-in-aid	3,620,925	3,553,712	(67,213)	1,692,741	1,641,244	(51,497)
Charges for services	410,944	422,248	11,304	273,652	306,731	33,079
Miscellaneous revenue	440,165	507,593	67,428	696,123	891,475	195,352
Total Revenues	17,627,130	17,656,748	29,618	4,768,061	4,936,895	168,834
Expenditures:						
Current:						
General government	996,023	980,375	15,648	475,009	459,619	15,390
Human services	6,989,432	6,858,905	130,527	255,238	237,366	17,872
Natural resources and recreation	605,754	576,948	28,806	285,867	234,555	51,312
Transportation	78,074	74,010	4,064	780,950	697,234	83,716
Education	8,413,234	8,346,945	66,289	1,104,446	1,134,840	(30,394)
Capital outlays	211,333	34,141	177,192	2,277,019	1,757,589	519,430
Debt service	-	-	-	-	-	-
Total Expenditures	17,293,850	16,871,324	422,526	5,178,529	4,521,203	657,326
Excess of Revenues Over (Under) Expenditures	333,280	785,424	452,144	(410,468)	415,692	826,160
Other Financing Sources (Uses):						
Bond sale proceeds	-	-	-	473,630	140,722	(332,908)
Proceeds of refunding bonds	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-
Operating transfers in	446,473	646,066	199,593	342,894	394,072	51,178
Operating transfers out	(798,466)	(1,081,962)	(283,496)	(630,120)	(667,191)	(37,071)
Total Other Financing Sources (Uses)	(351,993)	(435,896)	(83,903)	186,404	(132,397)	(318,801)
Excess of Revenues And Other Sources Over (Under) Expenditures And Other Uses	$ (18,713)	$ 349,528	$ 368,241	$ (224,064)	$ 283,295	$ 507,359

The notes to the financial statements are an integral part of this statement.

Debt Service Funds			Capital Projects Funds			Totals (Memorandum Only)		
Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavor able)	Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavor able)	Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavor able)
$ -	$ -	$ -	$ -	$ -	$ -	$ 14,542,755	$ 14,543,385	$ 630
-	-	-	-	-	-	717,886	727,255	9,369
-	328	328	-	-	-	5,313,666	5,195,284	(118,382)
-	-	-	29,704	30,627	923	714,300	759,606	45,306
58,708	28,342	(30,366)	43,266	27,616	(15,650)	1,238,262	1,455,026	216,764
58,708	28,670	(30,038)	72,970	58,243	(14,727)	22,526,869	22,680,556	153,687
-	-	-	3,790	13,537	(9,747)	1,474,822	1,453,531	21,291
-	-	-	-	-	-	7,244,670	7,096,271	148,399
-	-	-	-	-	-	891,621	811,503	80,118
-	-	-	1,000	767	233	860,024	772,011	88,013
-	-	-	-	-	-	9,517,680	9,481,785	35,895
-	-	-	1,018,704	522,151	496,553	3,507,056	2,313,881	1,193,175
819,140	770,141	48,999	-	-	-	819,140	770,141	48,999
819,140	770,141	48,999	1,023,494	536,455	487,039	24,315,013	22,699,123	1,615,890
(760,432)	(741,471)	18,961	(950,524)	(478,212)	472,312	(1,788,144)	(18,567)	1,769,577
-	-	-	707,483	538,564	(168,919)	1,181,113	679,286	(501,827)
-	127,277	127,277	-	-	-	-	127,277	127,277
-	(127,130)	(127,130)	-	-	-	-	(127,130)	(127,130)
763,056	820,721	57,665	112,361	124,133	11,772	1,664,784	1,984,992	320,208
(69,578)	(48,749)	20,829	(67,275)	(67,250)	25	(1,565,439)	(1,865,152)	(299,713)
693,478	772,119	78,641	752,569	595,447	(157,122)	1,280,458	799,273	(481,185)
$ (66,954)	$ 30,648	$ 97,602	$ (197,955)	$ 117,235	$ 315,190	$ (507,686)	$ 780,706	$ 1,288,392

Combined Statement of Revenues, Expenses, and Changes in Fund Equity All Proprietary Fund Types and Similar Trust Funds For the Fiscal Year Ended June 30, 1991

(expressed in thousands)

	Proprietary Fund Types		Fiduciary Fund Types		Totals (Memorandum Only)	
	Enterprise	Internal Service	Non-Expendable Trust	Pension Trust	Year Ended June 30, 1991	Year Ended June 30, 1990
Operating Revenues:						
Sales	$ 333,339	$ 112,716	$ -	$ -	$ 446,055	$ 409,109
Less: Cost of goods sold	229,110	96,871	-	-	325,981	294,785
Gross profit (loss)	104,229	15,845	-	-	120,074	114,324
Charges for services	367,072	332,747	1	-	699,820	634,273
Earnings on investments	-	-	42,302	1,028,818	1,071,120	1,133,871
Pension contributions	-	-	-	933,018	933,018	838,569
Insurance premiums	920,289	295,726	-	-	1,216,015	984,676
Lottery ticket proceeds	258,769	-	-	-	258,769	246,334
Miscellaneous revenue	128,416	11,495	53,688	-	193,599	168,964
Total Operating Revenues	1,778,775	655,813	95,991	1,961,836	4,492,415	4,121,011
Operating Expenses:						
Salaries and wages	289,513	115,344	-	-	404,857	374,845
Employee benefits	72,981	27,968	-	-	100,949	86,759
Personal services	29,005	16,786	-	1,383	47,174	37,230
Goods and services	230,646	437,949	-	352	668,947	342,665
Travel	11,357	2,661	-	-	14,018	11,984
Insurance benefit payments	1,255,349	9,722	-	-	1,265,071	1,104,460
Lottery prize payments	124,246	-	-	-	124,246	116,750
Depreciation and amortization	59,410	40,527	-	-	99,937	72,181
Pension benefit payments	-	-	-	732,408	732,408	691,390
Miscellaneous expenses	32,420	[illegible]	-	-	38,709	20,844
Total Operating Expenses	2,104,927	[illegible]7,246	-	734,143	3,496,316	2,859,108
Operating Income (Loss)	(326,152)	(1,433)	95,991	1,227,693	996,099	1,261,903
Nonoperating Revenues (Expenses):						
Other revenue (expenses)	(936)	1,078	193	(996)	(661)	(3,302)
Interest income	384,390	9,316	-	-	393,706	344,098
Interest expense	(23,357)	(818)	-	-	(24,175)	(22,071)
Liquor profits distributed to local governments	(30,154)	-	-	-	(30,154)	(24,550)
Total Nonoperating Revenues (Expenses)	329,943	9,576	193	(996)	338,716	294,175
Income (Loss) Before Operating Transfers	3,791	8,143	96,184	1,226,697	1,334,815	1,556,078
Operating Transfers:						
Operating transfers in	69,928	26,046	1,394	63,630	160,998	312,037
Operating transfers out	(189,467)	(6,174)	(46,723)	(884)	(243,248)	(436,195)
Net Operating Transfers In (Out)	(119,539)	19,872	(45,329)	62,746	(82,250)	(124,158)
Net Income (Loss) Before Extraordinary Item	(115,748)	28,015	50,855	1,289,443	1,252,565	1,431,920
Extraordinary Items:						
Bond refunding gain (loss)	5,471	-	-	-	5,471	(930)
Net Income (Loss)	(110,277)	28,015	50,855	1,289,443	1,258,036	1,430,990
Fund Equity:						
Fund equity as restated, July 1	(2,091,904)	189,045	614,105	13,573,540	12,284,786	14,075,131
Residual equity transfers in	-	-	-	-	-	264
Residual equity transfers out	(1,052)	-	-	-	(1,052)	(4,199)
Unrealized gain (loss) on investments	10,628	-	-	-	10,628	(52,012)
Contributions of capital	44,323	2,757	-	-	47,080	86,037
Return of contributed capital	(1,818)	-	-	-	(1,818)	(2,428)
Fund Equity, June 30	$ (2,150,100)	$ 219,817	$ 664,960	$ 14,862,983	$ 13,597,660	$ 15,533,783

The notes to the financial statements are an integral part of this statement.

Combined Statement of Cash Flows All Proprietary Fund Types and Nonexpendable Trust Funds For the Fiscal Year Ended June 30, 1991

Continued

(expressed in thousands)

	Proprietary Fund Types		Fiduciary Fund Types	Totals (Memorandum Only)	
	Enterprise	Internal Service	Non-Expendable Trust	Year Ended June 30, 1991	Year Ended June 30, 1990
Cash Flows From Operating Activities:					
Operating Income (Loss)	$ (326,152)	$ (1,433)	$ 95,991	$ (231,594)	$ 33,226
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operations:					
Depreciation	42,164	40,527	-	82,691	72,181
Amortization of premiums/discounts on investments	17,246	-	-	17,246	2,298
Change In Assets: Decrease (Increase)					
Receivables (net of allowance)	(39,714)	(1,683)	7,678	(33,719)	(52,975)
Due from other funds	(66,422)	20,404	(905)	(46,923)	21,284
Due from other governments	(2,400)	(949)	-	(3,349)	(4,987)
Inventories	14,092	5,722	-	19,814	(6,613)
Prepaid expenses	(499)	(305)	-	(804)	21
Other nonfixed assets	13	-	19,176	19,189	4,689
Change In Liabilities: Increase (Decrease)					
Accounts payable	(21,016)	3,696	-	(17,320)	31,820
Contracts and retainages payable	3,652	(399)	(471)	2,782	4,062
Accrued liabilities	45,575	1,878	(17,392)	30,061	16,991
Due to other funds	22,365	(15,308)	22,349	29,406	(61,692)
Due to other governments	(2,534)	(12)	-	(2,546)	804
Deferred revenues	(2,463)	(573)	(27,034)	(30,070)	8,703
Claims and judgements payable	537,104	1,307	-	538,411	280,701
Other long-term obligations	29,213	1,560	(2,493)	28,280	16,705
Net Cash or Cash Equivalents Provided By (Used In) Operating Activities	250,224	54,432	96,899	401,555	367,218
Cash Flows From Noncapital Financing Activities:					
Liquor profits distributed to local government	(30,154)	-	-	(30,154)	(24,550)
Operating transfers in	69,928	26,046	1,394	97,368	312,037
Operating transfers out	(189,467)	(6,174)	(46,723)	(242,364)	(435,325)
Contributions of capital	44,323	2,757	-	47,080	82,284
Return of contributed capital	(1,818)	-	-	(1,818)	(2,428)
Fund equity transfers in (out)	(1,052)	-	-	(1,052)	(186)
Other revenue (expenses)	(936)	1,078	193	335	(3,307)
Net Cash or Cash Equivalents Provided By (Used In) Noncapital Financing Activities	(109,176)	23,707	(45,136)	(130,605)	(71,475)
Cash Flows From Capital & Related Financing Activities:					
Payments for interest	(23,357)	(818)	-	(24,175)	(22,072)
Acquisitions of fixed assets	(125,852)	(72,235)	-	(198,087)	(194,020)
Proceeds from sale of fixed assets	8,610	9,626	-	18,236	76,941
Refunding bond proceeds	26,371	-	-	26,371	(930)
Payments to escrow agents	(20,900)	-	-	(20,900)	-
Retirement of long-term bonds payable	(10,913)	-	-	(10,913)	(14,573)
Proceeds from sale of long-term bonds	95,928	-	-	95,928	1,950
Net Cash or Cash Equivalents Provided By (Used In) Capital and Related Financing Activities	(50,113)	(63,427)	—	(113,540)	(152,704)
Cash Flows From Investing Activities:					
Receipt of interest	384,390	9,316	-	393,706	344,098
Proceeds from sale of investment securities	4,527,777	41,132	192,371	4,761,280	4,656,814
Purchases of investment securities	(4,967,564)	(64,718)	(234,524)	(5,266,806)	(5,148,576)
Net Cash Provided By (Used In) Investing Activities	(55,397)	(14,270)	(42,153)	(111,820)	(147,664)
Net Increase (Decrease) In Cash And Pooled Investments	35,538	442	9,610	45,590	(4,625)
Cash And Pooled Investments At July 1, 1990	144,081	105,261	23,161	272,503	276,032
Cash And Pooled Investments At June 30, 1991	$ 179,619	$ 105,703	$ 32,771	$ 318,093	$ 271,407

The notes to the financial statements are an integral part of this statement.

Combined Statement of Cash Flows
All Proprietary Fund Types and Nonexpendable Trust Funds
For the Fiscal Year Ended June 30, 1991

Concluded

(expressed in thousands)

	Proprietary Fund Types		Fiduciary Fund Types	Totals Memorandum Only	
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:	Enterprise	Internal Service	Non-Expendable Trust	Year Ended June 30, 1991	Year Ended June 30, 1990
Acquistion of capital assets with capital leases	$ 1,168	$ 4,548	-	$ 5,716	$ -
Capital lease liabilities incurred in acquiring capital assets	(1,137)	(4,509)	-	(5,646)	-
Contributions of capital assets from the General Fund	-	2,153	-	2,153	-
Contributions of capital assets from the Motor Vehicle Fund	44,314	486	-	44,800	-
Bond payment contributions from Motor Vehicle Fund	1,799	-	-	1,799	-
Recognition of income through the amortization of discounts on US Government zero coupon bonds and	17,237	-	-	17,237	-
interest expense through an increase in other long-term obligations	(17,237)	-	-	(17,237)	-
Bond retired and bridge donated to the City of Spokane	(1,818)	-	-	(1,818)	-
Ferry terminal written off due to obsolescence	(3,306)	-	-	(3,306)	-

NOTES TO THE FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 1991

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the state of Washington have been prepared in conformity with generally accepted accounting principles (GAAP). The primary authority for the state's accounting and reporting requirements is the Office of Financial Management (OFM). OFM has adopted the pronouncements of the Governmental Accounting Standards Board (GASB) which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles nationally. The more significant of the state's accounting policies are as follows:

A. Reporting Entity

In evaluating how to define the state of Washington, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying all pertinent criteria. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the state's reporting entity.

Included within the reporting entity:

STATE AGENCIES - Except as otherwise described herein, all state elected offices, departments, agencies, commissions, boards, committees, authorities, and councils (agencies) and all funds and account groups of the state are included in the state's reporting entity. Executives of these agencies are either elected, directly appointed by the governor, appointed by a board which is appointed by the governor, or appointed by a board which is in part appointed by the governor. Additionally, a small number of board positions are established by statute or independently elected. The state Legislature created these agencies, assigns their programs, approves operational funding, and requires financial accountability. The Legislature also authorizes all bond issuances for capital construction projects for the benefit of state agencies. The legal liability for these bonds and the ownership of agency assets reside with the state.

COLLEGES AND UNIVERSITIES - The governing boards of the 24 state community colleges and districts, the state college, and the five state universities (colleges) are appointed by the governor. Each college's governing board appoints a president to function as the chief administrator. The state Legislature approves all budgets and budget amendments for the colleges and requires financial accountability. Colleges are authorized by statute to issue bonds for capital construction. The legal liability for the bonds and the ownership of college assets reside with the state. Financial operations of the state's colleges have been included in the accompanying financial statements and reported using the fund structure prescribed by GASB; not according to the fund structure of the National Association of College and University Business Officers.

RETIREMENT SYSTEMS - The state of Washington, through the Department of Retirement Systems, administers five retirement systems for public employees of the state and political subdivisions: the Public Employees' Retirement System, the Teachers' Retirement System, the Law Enforcement Officers' and Fire Fighters' Retirement System, the Washington State Patrol Retirement System, and the Judicial Retirement System. The Volunteer Fire Fighters' Relief and Pension Fund retirement system is administered through the Board for Volunteer Fire Fighters'. The governor appoints the directors of the Department of Retirement Systems and the Board for Volunteer Fire Fighters' to manage these systems. The Judicial Retirement Account is administered through the Administrator for the Courts, under the direction of the board for judicial administration. The state

Legislature establishes laws pertaining to the creation and administration of all public retirement systems. The state and public retirement systems' participants provide funding for all costs of the systems based upon actuarial valuations. The state establishes benefit levels and approves the actuarial assumptions used in determining contribution levels.

The WASHINGTON HEALTH CARE FACILITIES AUTHORITY, the WASHINGTON HIGHER EDUCATION FACILITIES AUTHORITY, and the WASHINGTON STATE HOUSING FINANCE COMMISSION are included in the state's reporting entity, however they are authorized to issue nonrecourse revenue bonds and the debt is excluded from the reporting entity. Bond proceeds are loaned to qualified nonprofit health care and higher education facilities for construction and related improvements, and to qualified home buyers for new, existing, or improved residential dwellings. These bonds do not constitute either a legal or moral obligation of the state or these authorities, nor does the state or these authorities pledge their faith and credit for the payment of such bonds. Debt service on the bonds is payable solely from payments pursuant to loan agreements.

Excluded from the reporting entity:

Washington's AGRICULTURAL COMMODITY COMMISSIONS are organized under state laws and by agricultural industry leaders to enable farm product producers to assess themselves and accumulate funds primarily for commodity advertising and research. Commission members are elected by the producers, handlers, and/or dealers they represent. These potential component units are excluded from the reporting entity because the state does not have the ability to exercise influence over their daily operations, approve budgets, or provide funding. Financial reports of the Agricultural Commodity Commissions may be obtained from each commission.

The WASHINGTON PUBLIC POWER SUPPLY SYSTEM (WPPSS) was established in 1957 by a group of seventeen public electrical utilities (member utilities) throughout the state. The Executive Board, WPPSS's governing authority, consists of 11 members, eight of which are selected by the member utilities and three of which are appointed by the governor. The Executive Board has total responsibility for WPPSS's operations and approves all budgets. The member utilities have undivided ownership of all common facilities and assets of WPPSS. All debt, bonded or otherwise, is the responsibility of WPPSS and the member utilities, and is neither a legal nor a moral obligation of the state.

B. Fund Accounting Structure

The state uses approximately 453 accounts which have been administratively combined into 46 funds and 2 account groups. The state uses these funds and account groups to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets (General Fixed Assets Account Group) and liabilities (General Long-Term Obligations Account Group) that are not recorded in the funds because they do not directly affect net expendable available financial resources. Funds are classified into three categories: governmental; proprietary; and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental Funds

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The General Fund is used to account for activities of the general government not accounted for in some other fund.

Proprietary Funds

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary Funds

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, either a pension trust fund, a nonexpendable trust fund, or an expendable trust fund is used. The terms "nonexpendable" and "expendable" refer to whether or not the government is under an obligation to maintain the trust principal. Agency funds are generally used to account for assets that the government holds on behalf of others as their agent.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary, nonexpendable trust, and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operations of these funds are included on the balance sheet. Equity (i.e., net total assets) in proprietary funds is segregated into contributed capital and unreserved retained earnings components. Fund equity for nonexpendable trust and pension trust funds is shown as reserved for nonexpendable trust corpus and reserved for retirement systems respectively. Proprietary, nonexpendable trust, and pension trust fund operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

All proprietary, nonexpendable trust, and pension trust funds are accounted for using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when they are earned and expenses are recognized when incurred.

The modified accrual basis of accounting is used by all governmental, expendable trust, and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Major revenues that are determined to be susceptible to accrual include sales and business and occupation taxes, federal grants-in-aid, and charges for services. Also, revenue for timber cutting contracts is not accrued until the timber is harvested.

Revenues from property taxes are determined to be available if collectible within 60 days. Excise taxes, motor fuel taxes, and unemployment compensation contributions are considered measurable when the return is received. Revenues from licenses, permits, and fees are recognized when received in cash. All other accrued revenue sources are determined to be available if collectible within 12 months.

Property taxes are levied in December for the following calendar year. The first half year collections are due April 30 and the second half year collections are due October 31. Since the state is on a fiscal year ending June 30, the first half year collections are recognized as revenue, if collectible within 60 days of the fiscal year end. The second half year collections are recognized as receivables offset by deferred revenue. The lien date on property taxes is January 1 of the tax levy year.

Under modified accrual accounting, expenditures are recognized when the related fund liability is incurred. Exceptions to the general modified accrual expenditure recognition criteria include principal and interest on general long-term indebtedness which are recognized when due and compensated absences which are recognized when paid.

The state reports deferred revenues on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and the "available" criteria for revenue recognition in the current period. Deferred revenues also arise when resources are received by the state before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures.

D. General Budgetary Policies and Procedures

The Governor is required to submit a budget to the State Legislature no later than December 20 of the year preceding odd-numbered year sessions of the Legislature. The budget is a proposal for expenditures in the ensuing biennial period based upon anticipated revenues from the sources and rates existing by law at the time of submission of the budget. The Governor may additionally submit, as an appendix to the budget, a proposal for expenditures in the ensuing biennium from revenue sources derived from proposed changes in existing statutes.

The appropriated budget and any necessary supplemental budgets are legally required to be adopted through the passage of biennial appropriation bills by the Legislature and approval by the Governor. Biennial operating appropriations are made at the fund/account and agency level. Biennial capital appropriations are generally made at the fund/account, agency, and project level. The legal level of budgetary control is at the fund/account, agency, and appropriation level, with administrative controls established at lower levels of detail in certain instances. The accompanying "Combined Statement of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual - All Governmental Fund Types" ("Governmental Budgetary Statement") is not presented at the legal level of budgetary control. This is due to the large number of different budgeted fund/accounts and appropriations within agencies that would make such a presentation in the accompanying financial statements extremely cumbersome. Section 2400.112 of the GASB Codification of Governmental Accounting and Financial Reporting Standards provides for the preparation of a separate report where necessary in extreme cases. For the state of Washington, two separate reports have been prepared for the 1989-1991 Biennium to illustrate legal budgetary compliance. Approved budget versus actual expenditures and estimated versus actual revenues and other financing sources (uses) at the fund/account, agency, and appropriation level are presented in Report MFS1054 for governmental funds. Approved budget versus actual expenses for allotted expenses and estimated nonallotted expenses and estimated versus actual revenues are presented in Report MFS1064 for proprietary funds. A copy of these reports is available at the Office of Financial Management, 4505 Woodview Drive SE, Mail Stop: QF-41, Lacey, Washington 98504-3125.

All appropriated and nonappropriated/allotted funds are controlled by the executive branch through the allotment process. This process allocates the expenditure/expense plan into monthly allotments by program, source of funds, and object of expenditure. According to statute RCW 43.88.110(2), except under limited circumstances, the original biennial allotments are approved by the governor and may be revised only at the beginning of the second year of the biennium and must be initiated by the governor. This occasionally causes an overexpenditure of original or supplemental allotments at the end of the biennium. Additionally, proprietary funds incur revenues and expenses (i.e. depreciation or budgeted asset purchases) not covered by the allotment process, and budget estimates are generally made outside the allotment process according to prepared business plans. These proprietary fund business plan estimates are adjusted only at the beginning of each fiscal year. Therefore variances can occur for these nonallotted expenses and revenues. Also, OFM is authorized to make expenditure/expense allotments based on availability of unanticipated receipts, mainly federal government grant increases made during a fiscal year. Although state law does not necessarily preclude the overexpenditure of allotments, RCW 43.88.110(3) requires that the Legislature be provided an explanation of all major variances. However, biennial legislative appropriations are strict legal limits on expenditures/expenses and overexpenditures are prohibited.

Appropriations lapse at the end of the biennium. Encumbrances also lapse at the end of the biennium except for capital outlay encumbrances which are reappropriated in the ensuing biennium. Encumbrances outstanding at year end are reported as reservations of fund balance.

Budgetary Reporting versus GAAP Reporting

Governmental funds are budgeted materially in conformance with GAAP. However, the presentation in the accompanying "Governmental Budgetary Statement" is different from the "Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - All Governmental Fund Types" because capital outlays are presented in the accompanying "Governmental Budgetary Statement" according to how they are budgeted; that is, expenditures which are included in the state's capital budget. However, in the accompanying "Combined Statement of Revenues, Expenditures, and Changes in Fund Balance -All Governmental Fund Types," capital outlays are presented according to what was actually purchased; such as land, buildings, and equipment, rather than according to how they were budgeted. Additionally, federal surplus food commodities and capital leases do not appear on the "Governmental Budgetary Statement" because these noncash transactions are not appropriated or allotted during the budget process. Even though the presentation is different, the affect of the "Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses" is the same. The difference in the amount "Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses" is caused by loan disbursements as explained in Note 2B, "Budgetary Compliance".

E. Cash Equivalents and Investments

Investments of surplus or pooled cash balances, considered cash equivalents per GASB Statement 9, are reported on the accompanying balance sheet and statement of cash flows as "Cash and pooled investments". These cash equivalents are recorded at cost, which approximates fair market value for these investments. The Office of State Treasurer invests state treasury cash surpluses where funds can disburse cash at any time without prior notice or penalty. As a result, the cash balances of the funds are not reduced for these investments. Earnings on the pooled investments are allocated to participating funds on an average daily balance basis with generally 20 percent of earnings allocated to the General Fund.

The method of accounting for non-current investments varies depending upon the fund classification. Deferred Compensation Plan and Pension Funds investments are reported at market value. Workers' Compensation equity securities are valued at market and fixed income securities are valued at amortized cost. Unrealized gains and losses for equity securities are recorded in the fund equity section of the balance sheet; gains and losses are recognized at the time of sale or disposition. Market values for the preceding funds are determined using closing market prices at year end for marketable securities and other reasonable methods for investments where market values are not readily available. All other funds value equity investments at cost and fixed income investments at amortized cost.

F. Receivables

Receivables in the state's governmental and fiduciary funds consist primarily of tax and federal revenues. Receivables in all other funds have arisen in the ordinary course of business. Receivables are recorded when either the asset or revenue recognition criteria (see Note 1.C) has been met.

G. Inventories

Consumable inventories, consisting of expendable materials and supplies held for consumption, are valued and reported for financial statement purposes if their annual balance on hand is estimated to exceed $25,000 in value. Consumable inventories are generally valued using the weighted average method. All merchandise inventories are valued and considered reportable for financial statement purposes. Merchandise inventories are generally valued using the first-in, first-out method. Donated consumable inventories, as shown in applicable funds, are valued at fair market.

Governmental and expendable trust fund inventories are valued at cost and are recorded using the consumption method. Inventory balances are also recorded as a reserve of fund balance indicating that they do not constitute "available spendable resources" except for $1 million in federally donated consumable inventories which are offset by deferred revenue because they do not constitute a fund resource until consumed.

Proprietary fund inventories are valued at the lower of cost or market and are expensed when used.

H. Fixed Assets

All fixed assets with a unit cost of $1,000 or greater are capitalized and reported in the accompanying financial statements. In addition, capital leases with a net present value or fair value, whichever is less, of $10,000 or more are capitalized and also included in these financial statements. All purchased fixed assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date of donation. Where necessary, estimates of original cost and fair market value are derived by factoring price levels from the current period to the time of acquisition.

Fixed asset costs include the purchase price or construction cost, plus those costs necessary to place the asset in its intended location and condition for use. In proprietary and similar trust funds, interest costs (if material) on self-constructed assets are included in the cost. Normal maintenance and repair costs that do not materially add to the value or extend the life of the asset are not capitalized.

Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings (including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems, and similar assets) are not capitalized.

Fixed assets in governmental funds are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and related assets are reported in the General Fixed Assets Account Group. Accumulated depreciation is recorded in the General Fixed Assets Account Group. Depreciation is calculated using the straight-line method with estimated useful lives of fifty years for buildings, and five to forty years for furnishings and equipment, other improvements, and miscellaneous fixed assets.

Fixed assets used in proprietary and similar trust funds are accounted for in the fund in which they are utilized. Depreciation of fixed assets used in proprietary funds is charged as an operating expense and accumulated depreciation is reported on the balance sheet. Depreciation is computed using the straight-line method with estimated useful lives for buildings extending to fifty years. Furnishings and equipment, other improvements, and miscellaneous fixed assets are depreciated using estimated useful lives of three to forty years.

I. Insurance Activities

Workers Compensation

The state of Washington's workers' compensation program is established by Title 51 RCW. The statutes require all employers to insure the payment of benefits for job related injuries and diseases through the Workers' Compensation Fund or through self-insurance. Direct private insurance is not authorized, although self-insurers are permitted to reinsure up to 80 percent of their obligations through private insurers.

The fund is used to account for the workers' compensation program which provides time-loss, medical, and disability payments to qualifying individuals sustaining work-related injuries. The main benefit plans of the workers' compensation program are funded based on rates that will keep these plans solvent in accordance with recognized insurance principles. The supplemental pension cost of living adjustments (COLA) granted for time-loss and disability payments, however, are funded on a pay-as-you-go basis. By statute, the state is only allowed to collect enough revenue to fund the current COLA payments. Assets are not allowed to accumulate for the future servicing of current or incurred but not reported (IBNR) claims.

The Workers' Compensation Fund establishes claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and of claims that have been IBNR. The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claims costs depend on such complex factors as inflation, changes in doctrines of legal liabilities, claims adjudication, and judgments, the process used in computing claims liabilities does not necessarily result in an exact amount. Claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic, legal and social factors. A provision for inflation in the calculation of estimated future claim costs is implicit in the calculation because reliance is placed both on actual historical data that reflect past inflation and on other factors that are considered to be appropriate modifiers of past experience. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

Risk Management

Effective July 1, 1990, Washington State implemented a new risk management program pursuant to RCW 4.92.130 enabling the state to manage its tort claims as an insurance business activity rather than a general governmental activity. The state's policy now is generally not to purchase commercial insurance for the risk of losses to which it is exposed. Instead, the state management believes it is more economical to manage its risks internally and set aside assets for claims settlement in an Internal Service fund. A limited amount of commercial insurance is purchased for employee bonds and to limit the exposure to catastrophic losses. Otherwise, the new risk management program services all claims against the state for injuries and property damage. All funds and agencies of the state participate in the new risk management program in proportion to the anticipated exposure to liability losses.

State Employees Insurance

The state's health care benefits program is funded through a per capita amount determined annually by the Legislature and allocated to state agencies. The Health Care Authority, as administrator of the health care benefits program, collects this monthly "premium" from the agencies for each active employee enrolled in the program. The allocation represents a composite rate that covers the employee and all eligible dependents. The program also covers employees on extensions of coverage and retirees who self-pay their insurance premiums.

The state self insures or internally manages risk of loss for the Uniform Medical Plan. Forty-seven percent of eligible subscribers were enrolled in this health care plan in FY 1991. Claims are paid from premiums collected, and claims adjudication is contracted through a third-party administrator. Considerations in figuring liabilities include frequency of claims, administrative costs, industry inflation trends, advances in medical technology, and other social and economic factors. Liabilities include an amount for claims incurred by not reported.

J. Compensated Absences

Annual Leave

State employees accrue vested annual leave at a variable rate based on years of service. In general, accrued annual leave cannot exceed 30 days at the employee's anniversary date. It is the state's policy to liquidate unpaid annual leave at June 30 from future resources rather than currently available expendable resources. Accordingly, governmental and expendable trust funds recognize annual leave when it is paid. A long-term liability of $125.8 million for the accumulated annual leave in governmental and expendable trust funds has been recorded in the General Long-Term Obligations Account Group as of June 30, 1991. Proprietary and similar trust funds recognize the expense and accrued liability when the annual leave is earned. An accrued liability for accumulated annual leave has been recorded in Enterprise Funds for $15.5 million and $8.2 million in Internal Service Funds as of June 30, 1991.

Sick Leave

Employees accrue sick leave at the rate of one day per month without limitation on the amount that can be accumulated. Sick leave is not vested; i.e., the state does not pay employees for unused sick leave upon termination except upon employee death or retirement. At death or retirement, the state is liable for 25 percent of the employee's accumulated sick leave. In addition, the state has a "sick leave buyout option" in which each January, employees who accumulate sick leave in excess of 60 days may redeem sick leave earned but not taken during the previous year at the rate of one day's pay in exchange for each four days of sick leave. The sick leave buyout liability at June 30, 1991 for all funds is estimated to be approximately $1 million and considered to be immaterial. As a result, sick leave and sick leave buyout expenditures/expenses in all funds are recognized when the related payments are made per FAS No. 43 paragraph 6.c. and d. and paragraph 15.

K. Working Capital Reserve

Pursuant to RCW 43.88.030.(2) a working capital reserve of fund balance has been set aside in the General Fund to prevent a cash deficit: as a result, the unreserved undesignated fund balance is considered available spendable resources to the budget process.

L. Totals (Memorandum Only) Columns

Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. The data in these columns does not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Furthermore, this data is not comparable to a consolidation as interfund eliminations have not been made in the aggregation of this data.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Deficit Fund Balance/Deficit Retained Earnings

Governmental Funds

As reflected in the accompanying financial statements, there are no deficit fund balances in governmental funds as of June 30, 1991.

Proprietary and Similar Trust Funds

The Workers' Compensation Fund, an enterprise fund, had a deficit retained earnings of $3.04 billion at June 30, 1991. The fund is used to account for the workers' compensation program which provides time-loss, medical, and disability payments to qualifying individuals sustaining work-related injuries. The main benefit plans of the workers' compensation program are funded based on rates that will keep these plans solvent in accordance with recognized insurance principles. The supplemental pension cost of living adjustments (COLA) granted for time-loss and disability payments, however, are funded on a pay-as-you-go basis. By statute, the state is only allowed to collect enough revenue to fund the current COLA payments.

A Department of Labor and Industries task force is currently analyzing the impact of the deficit including long-term projections for supplemental pension cash flows and equity position under various economic assumptions. The task force, which includes representatives from state labor and management communities, intends to determine what economic risk the state may encounter as a result of this deficit. Based upon the conclusions arising from the analysis, recommendations will be made as to what changes, if any, should be recommended for the plan. The following schedule details the changes in total fund equity for the Workers' Compensation Fund (expressed in thousands):

	Contributed Capital	Retained Earnings (Deficit)	Unrealized Gain on Investments	Total Fund Equity
Balances at June 30, 1990	$ 22	$ 260,773	$ 45,656	$ 306,451
Fiscal Year 1991 Activity	1	(120,877)	10,628	(110,248)
Reclassification (Note 4)	-	(3,181,505)	-	(3,181,505)
Balances at June 30, 1991	$ 23	$(3,041,609)	$ 56,284	$(2,985,302)

The State Ferry and Toll Fund, an enterprise fund, had deficit retained earnings of $135.8 million at June 30, 1991. The Department of Transportation (DOT) uses the State Ferry and Toll Fund to account for: (1) receipt of revenue and payment of all operating expenses of the State Ferry System; and (2) allocation of financial resources of certain accounts required to be maintained by bond resolution or statute. The State Ferry System is considered to be part of the state highway system operated by DOT. As such, if the State Ferry System incurs a loss from operations, it is offset by subsidies provided by the Legislature for ferry equipment and facilities. These subsidies are recorded as contributed capital. Therefore, total fund equity for the State Ferry and Toll Fund was $411.9 million at June 30, 1991 as detailed below (expressed in thousands):

	Contributed Capital	Retained Earnings (Deficit)	Total Fund Equity
Balances at June 30, 1990	$ 506,769	$ (118,785)	$387,984
Fiscal Year 1991 Activity	41,006	(17,042)	23,964
Balances at June 30, 1991	$ 547,775	$ (135,827)	$411,948

The Risk Management Fund, an internal service fund, had deficit retained earnings of $34.7 million at June 30, 1991. Risk Management accounts for the claims, torts, and judgments generally arising from automobile, ferry services, and general government operations. These costs are supported by premium assessments to state agencies that are designed to cover current and future claim losses. Prior to Fiscal Year 1991, the fund operated on a cash basis. Outstanding and incurred but not reported claims were actuarially determined and accrued for Fiscal Year 1991 resulting in the deficit retained earnings. However, current actuarial projections show full funding by the year 2000. The following schedule details the changes in retained earnings for the Risk Management Fund (expressed in thousands):

	Retained Earnings (Deficit)
Balance at June 30, 1990	$ 5,257
Fiscal Year 1991 Activity	27,545
Accounting Policy Change (Note 4)	(67,492)
Balance at June 30, 1991	$ (34,690)

There were no other deficit retained earnings in proprietary and similar trust funds as of June 30, 1991.

B. Budgetary Compliance

Biennial Budget

Budgeted amounts reported on the accompanying "Combined Statement of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual - All Governmental Fund Types" ("Governmental Budgetary Statement") include approved appropriations and approved nonappropriated allotments for the 1989-1991 Biennium. The following schedule details the approved budget by fund type (expressed in thousands):

	General	Special Revenue	Debt Service	Capital Projects	Total (Memo Only)
Legislative Appropriations:					
Original	$ 16,228,676	$ 3,469,443	$ 823,966	$ 847,339	$ 21,369,424
Supplemental	941,489	424,063	(4,826)	175,077	1,535,803
Total Legislative Appropriations	17,170,165	3,893,506	819,140	1,022,416	22,905,227
Amounts Placed in Reserve	-	(111)	-	-	(111)
Unanticipated Receipts	123,685	73,658	-	1,078	198,421
Allotments, Nonappropriated	-	1,211,476	-	-	1,211,476
Approved Budget	$ 17,293,850	$ 5,178,529	$ 819,140	$ 1,023,494	$ 24,315,013

Budget Overexpenditures

Appropriations are legal limitations on agency expenditures subject to available fund balances. There are no overexpenditures of appropriations on the accompanying "Governmental Budgetary Schedule." Furthermore, There were no overexpenditures of appropriations during the 1989-1991 Biennium at the legal level of budgetary control.

However, budget expenditure allotment changes are only allowed at the beginning of the second fiscal year of the biennium. This occasionally causes an allotment overexpenditure at the end of the biennium. There were two such allotment overexpenditures at the end of the 1989-1991 Biennium. The Higher Education Fund, a special revenue fund, had overexpenditures of allotments during the 1989-1991 Biennium due to increased grant and contract activity over original estimates. This fund also had an increase in grant revenues over estimated revenues to offset the overexpenditure of allotments. The State Facilities Fund, a capital projects fund, had an overexpenditure of allotments for bond issue and discount costs associated with funding the capital projects. Revenue estimates were adjusted for the bond issues, however bond cost expenditure allotments could not be adjusted when the expenditure was incurred.

Reconciliation of Governmental Budgetary Statement to Governmental Operating Statement

The following is a reconciliation for Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses for all governmental fund types between the "Governmental Budgetary Statement" and the "Governmental Operating Statement".

Certain transactions appear on the "Governmental Operating Statement" and not on the "Governmental Budgetary Statement", or conversely, appear on the "Governmental Budgetary Statement" and not on the "Governmental Operating Statement". These transactions are reconciled as detailed below.

Basis Adjustments

Loan disbursements are budgeted items and appear on the "Governmental Budgetary Statement." However, they do not appear on the "Governmental Operating Statement" because they represent increases of loan receivables and appropriately appear on the "Combined Balance Sheet." Therefore, the Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses on the accompanying "Governmental Budgetary Statement" does not agree with the "Governmental Operating Statement".

Federal surplus food commodities and capital lease acquisitions do not appear on the "Governmental Budgetary Statement" because these noncash transactions are not appropriated or allotted during the budget process. However, the Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses on the accompanying "Governmental Budgetary Statement" does agree with the Combined Statement of Revenues, Expenditures, and Change in Fund Balance - All Governmental Fund Types ("Governmental Operating Statement") because the noncash revenue activity and the offsetting noncash expenditure activity are both excluded from the "Governmental Budgetary Statement." The following schedule details this nonbudgeted activity by governmental fund type (expressed in thousands):

	General	Special Revenue	Debt Service	Capital Projects	Total (Memo Only)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses (budgetary basis) for the biennium ended 6/30/91	$ 349,528	$283,295	$ 30,648	$ 117,235	$ 780,706
FY 1990 Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses (budgetary basis) as Restated*	(506,430)	(173,070)	(21,205)	33,785	(666,920)
FY 1991 Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses (budgetary basis)	(156,902)	110,225	9,443	151,020	113,786
Basis Adjustments:					
Loan disbursements	5,870	3,046		-	8,916
Federal surplus food commodities received	15,503	-	-	-	15,503
Capital leases (other financing sources)	7,770	7,277	-	280	15,327
Noncash commodities issued	(15,503)	-	-	-	(15,503)
Noncash capital leases (acquisitions)	(7,770)	(7,277)	-	(280)	(15,327)
FY 1991 Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses (GAAP basis)	$(151,032)	$113,271	$ 9,443	$ 151,020	$ 122,702

*Note: See following schedule next page.

The "Governmental Budgetary Statement" reflects a fund reclassification that occurred during Fiscal Year 1991 that effectively restated the reported Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses for Fiscal Year 1990. The following schedule details the restatement (expressed in thousands):

	General	Special Revenue	Debt Service	Capital Projects	Total (Memo Only)
FY 1990 Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses (budgetary basis) as Previously Reported	$ 506,610	$173,070	$ 21,205	$ (33,965)	$ 666,920
Reclassified an account from the State Facilities Capital Projects Fund to the General Fund	(180)	-	-	180	-
FY 1990 Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses (budgetary basis) as restated	$ 506,430	$173,070	$ 21,205	$ (33,785)	$ 666,920

NOTE 3 - DETAILED NOTES ON ACCOUNT BALANCES

A. Cash and Investments

At fiscal year end, the carrying amount of Washington's cash and investments was $26.3 billion. Total cash and investments as of June 30, 1991 amounted to $26.5 billion, including cash from outstanding checks and warrants. Of this amount, cash on hand amounted to $41 million, deposits with financial institutions amounted to $355 million, and deposits in the federal unemployment trust fund amounted to $1.6 billion. The remaining $24.5 billion represented the total carrying amount of investments.

Deposits

At fiscal year end, 98.2 percent of state deposits with financial institutions were insured, the remaining 1.8 percent were uncollateralized. The state's insured deposits are covered by the Federal Deposit Insurance Corporation (FDIC) and by the Washington Public Deposit Protection Commission (PDPC). The PDPC (established under Chapter 39.58 of the Revised Code of Washington) constitutes a multiple financial institution collateral pool that provides for additional assessments against participants of the pool on a pro rata basis. Accordingly, the deposits covered by PDPC are considered to be insured. Deposits by type, at June 30, 1991, are as follows (expressed in thousands):

	Carrying Amount	Bank Balance	Insured	Uncollateralized
Demand deposits	$ 46,145	$ 94,453	$ 94,453	$ -
Certificates of deposit	183,844	183,844	183,844	-
Bank Investment Contracts	41,444	41,444	41,444	-
Cash with Fiscal and Escrow Agents	35,376	35,376	28,922	6,454
Total deposits	$ 306,809	$ 355,117	$ 348,663	$ 6,454

Investments

The State Investment Board and the Office of State Treasurer manage approximately 95 percent of the state's investing activity. Management responsibilities and investment instruments as authorized by statute are as follows:

State Investment Board (SIB)

Statute designates SIB as having investment management responsibility for pension funds, the Workers' Compensation Fund, permanent funds (established at statehood), and other specific funds. The SIB is authorized to invest as provided by statute (RCW 43.33A). Statute and SIB policy authorize investments in the following: Treasury Bills; discount notes; repurchase agreements; reverse repurchase agreements; banker's acceptances; commercial paper; U.S. Government and Agency (government sponsored corporations eligible for collateral purposes at the Federal Reserve) securities; Canadian Government bonds; corporate bonds; nonrated private placements; common and preferred stock; investment partnerships for venture capital; leveraged buy-outs; mortgages; real estate; financial futures; and other investment situations.

Office of the State Treasurer (OST)

The OST operates the state's Cash Management Account for investing cash in excess of daily requirements. Statute authorizes the OST to buy and sell the following types of investments: U.S. Treasury and agency securities; banker's acceptances; and certificates of deposit with qualified public depositories. Securities underlying repurchase and reverse repurchase agreements are limited to those stated above.

Investment Activity

The state's investments are categorized below per GASB Statement 3 to give an indication of the level of custodial risk assumed at year end. Category 1 includes investments that are insured, registered, or are held by the state or its agent in the state's name. Category 2 includes uninsured and unregistered investments, which are held by the counterparties' trust departments or agents in the state's name. Category 3 includes uninsured and unregistered investments, held by counterparties, or their trust departments or agents, but not in the state's name. Investments at June 30, 1991, by investment type, are listed below (expressed in thousands):

Investment Type		GASB Categories		Total Carrying Amount	Market Value
	1	2	3		
Bankers' Acceptances	$ 1,690,843	$ 126	$ -	$ 1,690,969	$ 1,691,013
Foreign Government Bonds	215,709	-	-	215,709	219,129
Corporate Bonds	3,245,631	-	-	3,245,631	3,278,041
Corporate Stocks	1,551,714	-	-	1,551,714	1,567,580
Leveraged Buy-outs	1,506,380	-	-	1,506,380	1,506,380
Mortgages	1,435,927	-	-	1,435,927	1,456,173
Real Estate	1,161,864	-	-	1,161,864	1,208,785
Repurchase Agreements	591,423	1,510	-	592,933	592,933
Short-Term Securities	644,100	-	-	644,100	643,042
U.S. Govt. Securities	2,837,039	-	-	2,837,039	2,851,659
Venture Capital	370,665	-	-	370,665	370,444
Zero Coupon Bonds	231,143	-	-	231,143	235,359
Asset backed securities	90,687	-	-	90,687	91,872
Miscellaneous	26,376	-	-	26,376	26,127
	$ 15,599,501	$ 1,636	$ -	15,601,137	15,738,537
Guaranteed Investment Contracts				133,369	133,369
Mutual Funds				4,762,048	4,762,048
Investments on Loan				4,042,120	4,069,655
Total Investments				$ 24,538,674	$ 24,703,609

The SIB has authority to enter into security lending agreements. Securities brokers held investments on loan under the agreement existing at June 30, 1991. The securities were loaned and collateralized by the state's agent at 102 percent by U.S. government securities and cash. The cash was invested by the state's agent in repurchase agreements and commercial paper. The securities held as collateral, and the securities underlying the cash collateral, are held by the state's agent, and are not reflected in the June 30, 1991 investment balances. The securities were loaned with the agreement that they will be returned in the future for exchange of the collateral. Under the securities lending agreement existing at June 30, 1991, up to $13.0 billion of the state's investments may be loaned.

Repurchase agreements are collateralized at 102 percent in government or agency securities of less than ten years maturity. The collateral is priced daily and held by the state's agent in the state's name. Repurchase agreements outstanding as of June 30, 1991 are typical of the level of activity during the year. There were no reverse repurchase agreements outstanding as of June 30, 1991. Reverse repurchase investment activity during Fiscal Year 1991 was immaterial.

B. Taxes Receivable

Taxes Receivable at June 30, 1991 consisted of the following (expressed in thousands):

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	Total (Memo Only)
Taxes Receivable:								
Property	$ 417,178	$ -	$ -	$ -	$ -	$ -	$ -	$ 417,178
Sales	365,160	549	-	-	-	-	-	365,709
Business and Occupation	120,120	-	-	-	-	-	-	120,120
Excise	234,418	2,497	-	-	-	-	-	236,915
Estate	3,805	-	-	-	-	-	-	3,805
Fuel	172	1,506	-	-	-	-	-	1,678
Other	200,408	5,595	-	-	2,569	-	-	208,572
Subtotal	1,341,261	10,147	-	-	2,569	-	-	1,353,977
Less: Allowance for Uncollect. Receivables	82,932	1,663	-	-	-	-	-	84,595
Totals	$ 1,258,329	$ 8,484	$ -	$ -	$ 2,569	$ -	$ -	$ 1,269,382

C. Other Receivables

Other Receivables at June 30, 1991 consisted of the following (expressed in thousands):

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	Total (Memo Only)
Accounts Receivable	$ 55,079	$ 40,918	$ -	$ 130	$ 346,681	$ 3,189	$ 7,920	$ 453,917
Interest Receivable	841	4,214	-	-	70,584	365	145,685	221,689
Loans Receivable	5,970	1,970	-	-	4	-	95,017	102,961
Public Assistance Receivables	543,049	-	-	-	-	-	310,824	853,873
Miscellaneous Receivables	6,199	18,131	9,326	39	5,684	310	51,861	91,550
Subtotal	611,138	65,233	9,326	169	422,953	3,864	611,307	1,723,990
Less: Allowance for Uncollect. Receivables	515,267	2,693	-	-	27,683	46	262,360	808,049
Totals	$ 95,871	$ 62,540	$ 9,326	$ 169	$ 395,270	$ 3,818	$ 348,947	$ 915,941

Note: Public Assistance receivables mainly represent amounts owed the state as a part of the Support Enforcement Program at the Department of Social and Health Services. The General Fund accounts for the amounts due from persons required to pay support for individuals currently on state assistance. The Clearing (Agency) Fund accounts for the amounts due from persons required to pay support for persons not on state assistance. Both programs have low realization expectations, and accordingly, are offset by large Allowances for Uncollectible Receivables.

D. Deferred Revenues

Deferred Revenues at June 30, 1991 consisted of the following (expressed in thousands):

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	Total (Memo Only)
Property Taxes	$ 406,156	$ -	$ -	$ -	$ -	$ -	$ -	$ 406,156
Excise Taxes	206,295	-	-	-	-	-	-	206,295
Charges for Services	-	48,059	-	-	13,800	5,961	-	67,820
Miscellaneous	40,608	24,749	-	228	-	-	24,356	89,941
Totals	$ 653,059	$ 72,808	$ -	$ 228	$ 13,800	$ 5,961	$ 24,356	$ 770,212

E. Due From and To Other Funds

The following balances at June 30, 1991 represent due from/to balances among all funds and state agencies (expressed in thousands):

Fund Type/Fund		Due From		Due To
General Fund		$ 193,560		$ 240,355
Special Revenue:				
Motor Vehicle Fund		29,907		14,470
Transportation Fund		3,336		945
State Wildlife Fund		4,049		1,293
Common School Construction Fund		26,891		112
Central Administrative and Regulatory Fund		21,249		8,945
Human Services Fund		6,510		4,639
Natural Resources Fund		32,725		19,792
Higher Education Fund		48,454		32,183
		173,121		82,379
Debt Service:				
General Obligation Bond Fund		7,916		2
Transportation Bond Fund		2,421		-
		10,337		2
Capital Projects:				
State Facilities Fund		147,371		11,518
Higher Education Facilities Fund		1,115		17,919
		148,486		29,437
Enterprise:				
Liquor Fund		1,072		7,150
Workers' Compensation Fund		59,191		15,105
Convention and Trade Fund		7,114		18,010
Lottery Fund		2,920		10,585
Institutional Fund		3,474		321
State Ferry and Toll Fund		1,336		1,181
Student Services Fund		8,856		8,875
Other Activities Fund		3,261		48
		87,224		61,275
Internal Service:				
Central Services Fund		5,666		3,502
Central Stores Fund		1,407		394
Equipment Revolving Fund		8,048		1,415
Data Processing Revolving Fund		13,473		1,729
Printing Services Fund		4,107		14
Motor Transport Fund		1,049		321
State Employees' Insurance Fund		4,610		2,262
Risk Management Fund		3,084		88
Higher Education Revolving Fund		674		4,055
		42,118		13,780
Trust and Agency:				
Expendable Trust:				
Human Services Trust Fund	$ 3,172		$ 551	
Higher Education Trust Fund	6,731		2,047	
Miscellaneous Trust Fund	2,773		20,812	
	12,676		23,410	
Nonexpendable Trust:				
Higher Education Endowment Fund	959		30,549	
Common School Permanent Fund	3		527	
	962		31,076	
Pension Trust:				
Public Employees' Fund	2,398		2,131	
Teachers' Fund	809		432	
L.E.O.F.F Fund	363		102	
State Patrol Fund	60		-	
Judicial Fund	841		-	
Volunteer Fire Fighters' Fund	20		-	
	4,491		2,665	
Agency:				
Clearing Fund	2,825		163	
Suspense Fund	4,359		18,222	
Local Government Distributions Fund	140,447		-	
Deferred Compensation Fund	22		792	
Pooled Investments Fund	32,726		349,798	
	180,379	198,508	368,975	426,126
Total Due From and To Other Funds		$ 853,354		$ 853,354

F. General Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group during Fiscal Year 1991 (expressed in thousands):

	Balance July 30, 1990	Additions	Deletions	Balance June 30, 1991
Land	$ 377,759	$ 192,741	$ 43,580	$ 526,920
Buildings	2,041,278	158,795	10,105	2,189,968
Accumulated Depreciation	(652,128)	44,134	1,912	(694,350)
Net Buildings	1,389,150			1,495,618
Furnishings and Equipment	710,065	191,354	107,999	793,420
Accumulated Depreciation	(428,872)	80,821	31,272	(478,421)
Net Furnishings and Equipment	281,193			314,999
Other Improvements and Miscellaneous	425,254	41,998	857	466,395
Accumulated Depreciation	(57,262)	7,264	980	(63,546)
Net Other Improvements and Miscellaneous	367,992			402,849
Construction in Progress	186,629	163,160	82,422	267,367
Total	$ 2,602,723			$ 3,007,753

Source of Funds by Fund Type:	
General	$ 1,084,604
Special Revenue	555,318
Capital Projects	1,367,831
Total	$ 3,007,753

G. Lease Commitments

The state leases land, office facilities, office and computer equipment, and other assets. Although lease terms vary, most leases are subject to appropriation from the state Legislature to continue the obligation. If the possibility of receiving no funding from the Legislature is remote, leases are considered noncancellable for financial reporting purposes. Leases which represent acquisitions are classified as capital leases and the related assets and liabilities are recorded in the financial records at the inception of the lease. Other leases are classified as operating leases with the lease payments recorded as expenditures or expenses during the life of the lease.

The total operating lease expenditures for Fiscal Years 1990 and 1991 were $125.4 million and $144.5 million, respectively. The total lease expense for Fiscal Year 1991 was $154.4 million. Future minimum lease commitments for noncancellable operating and capital leases as of June 30, 1991, were as follows (expressed in thousands):

		Capital Leases			
Lease Commitments During Fiscal Year:	Operating Leases	Enterprise Funds	Internal Service Funds	General Long-Term Obligations Account Group	Total All Leases
1992	$ 106,201	$ 2,052	$ 4,021	$ 9,785	$ 122,059
1993	82,418	1,328	2,689	9,376	95,811
1994	77,576	784	1,681	7,929	87,970
1995	75,865	554	1,540	5,680	83,639
1996	71,828	391	494	3,279	75,992
Thereafter	76,480	1,199	1,194	2,022	80,895
Total Future Minimum Lease Payments	$ 490,368	6,308	11,619	38,071	$ 546,366
Less Amounts Representing Executory and Interest Costs		1,318	2,289	5,598	
Present Value of Future Minimum Lease Payments		$ 4,990	$ 9,330	$ 32,473	

H. Construction In Progress/Significant Long-Term Construction Commitments Not Recognized in Financial Statements

Various state agencies were involved in construction projects at June 30, 1991. A summary of major projects follows including long-term commitments not recognized in Fiscal Year 1991 financial statements (expressed in thousands):

	FY91 Construction In Progress	Remaining Unencumbered Commitments
Proprietary Funds		
Department of Labor and Industries - Headquarters Construction	$ 24,785	$ 34,909
University of Washington - University Medical Center Renovations	4,428	11,971
University of Washington - Stevens Court Addition	2,291	9,615
Department of Information Services - Office Building 2 Electrical Modifications	3,755	885
Other Projects	1,189	2,779
Total Proprietary Funds	36,448	60,159
General Fixed Assets Account Group		
Department of General Administration - Natural Resources Building Construction	36,513	5,491
Department of Corrections:		
McNeil Island Correctional Center Improvements	20,874	7,402
Washington State Penitentiary Improvements	8,464	3,674
Washington State Reformatory Improvements	19,249	1,511
Clallam Bay Correctional Center Expansion	2,551	22,350
Forestry Camps - New and Expansion	3,701	62,806
Tacoma Work Release Relocation	164	3,947
Other Projects	16,021	9,003
Department of Social and Health Services:		
Eastern State Hospital Ward Renovations	3,179	1,068
Evergreen Center Remodel	4,624	200
Other Projects	5,589	5,746
Washington State Patrol:		
Headquarters Building Construction	196	47,804
District Headquarters Building Construction	339	13,384
University of Washington:		
Physics/Astronomy Building - New Construction	5,113	48,906
Chemistry Building - New Construction	2,621	1,393
Communications Building Renovation	4,857	1,328
Biomedical Sciences Building Addition	2,635	1,569
Power Plant Improvements	5,566	957
Health Sciences Building Renovation	8,892	879
Other Projects	12,971	8,278
Washington State University:		
Carpenter Hall Renewal	7,870	835
Holland Library Addition	5,711	28,894
Food/Human Nutrition Building - New Construction	10,074	907
Veterinary Teaching Hospital - New Construction	1,105	27,418
Tri-Cities Branch Campus - New Construction	10,439	1,309
Other Projects	1,539	3,542
Eastern Washington University - Science Building Addition	8,080	2,430
Central Washington University:		
Nicholson Pavilion Construction	3,914	-
Shaw/Smyser Remodel	166	10,412
Barge Hall Remodel	517	10,495
Western Washington University - Science Building - New Construction	2,136	20,732
Washington State Historical Society:		
Museum Remodel	3,564	-
Union Station Exhibit Center - New Construction	185	28,615
Community College System:		
Edmonds Community College - Alderwood Hall - New Construction	2,990	-
Highline Community College - Technology Lab - New Construction	2,794	180
Seattle Central Community College - Physical Education Building - New Construction	381	10,819
Other Projects	4,274	50,913
Other Agency Miscellaneous Projects	37,509	30,905
Total General Fixed Assets Account Group	267,367	476,102
Total Construction in Progress	$ 303,815	$ 536,261

I. Claims and Judgments Payable

Claims and Judgments payable is materially comprised of the three activities described below: workers' compensation, risk management, and state employees insurance. The following table summarizes claims and judgments payable activities (expressed in thousands):

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	Total (Memo Only)
Claims and Judgments Payable	$ 35,458	$ -	$ -	$ -	$ 699,000	$ 32,463	$ -	$ 766,921
Claims and Judgments Payable Long-Term	-	-	-	-	6,876,892	53,982	-	6,930,874
Total	$ 35,458	$ -	$ -	$ -	$ 7,575,892	$ 86,445	$ -	$ 7,697,795

Workers' Compensation

As discussed in Note 1, the Workers' Compensation Fund, an enterprise fund, establishes a liability for both reported and incurred but not reported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. The following represents changes in claim liabilities for the past two years for the fund's two benefit plans: Workers' Compensation Basic Plan and Workers' Compensation Supplemental Pension Plan. (expressed in thousands):

	Basic Plan		Supplemental Plan		Fiscal Year Totals	
	FY1991	FY1990	FY1991	FY1990	FY1991	FY1990
Unpaid claims and claim adjustment expenses at beginning of year	$ 3,713,788	$ 3,433,087	$ 3,325,000	$ 2,953,000	$ 7,038,788	$ 6,386,087
Incurred claims and claim adjustment expenses:						
Provision for insured events of the current year	958,486	972,632	243,934	248,592	1,202,420	1,221,224
Increases in provision for insured events of prior years	58,356	(68,265)	65,461	232,176	123,817	163,911
Total claims and claim adjustment expenses	1,016,842	904,367	309,395	480,768	1,326,237	1,385,135
Payments:						
Claims and claim adjustment expenses attributable to events in the current year	162,006	152,829	-	-	162,006	152,829
Claims and claim adjustment expenses attributable to insured events of prior years	511,732	470,837	115,395	108,768	627,127	579,605
Total Payments	673,738	623,666	115,395	108,768	789,133	732,434
Total unpaid claims and claim adjustment expenses at fiscal year end	$ 4,056,892	$ 3,713,788	$ 3,519,000	$ 3,325,000	$ 7,575,892	$ 7,038,788

At June 30, 1991, $23.2 billion of unpaid claims and claim adjustment expenses are presented at their net present value of $7.6 billion. These claims are discounted at assumed interest rates of 6.0 to 6.5 percent.

The $7.6 billion claims and claim adjustment liabilities at year end June 30, 1991, includes $3.5 billion for supplemental pension cost of living adjustments (COLA) that by statute are not to be fully funded. These COLA payments are funded on a pay-as-you-go basis and the Workers' Compensation actuaries have indicated that future premium payments will be sufficient to pay these claims as they come due. The remaining $4.1 billion in claim liability is fully funded by $4.6 billion in assets, including $4.2 billion of long-term investments, held for payment of the claims.

Risk Management

The Risk Management Fund, an internal service fund, reports claim and judgment liabilities when it becomes probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an actuarially determined amount for claims that have been incurred but not reported. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic or social factors. Liabilities for incurred losses to be settled by fixed or reasonably determinable payments over a long period of time are reported at their present value using a discount rate of 7 percent. These liabilities are reported at their present value at June 30, 1991.

The state and its component public authorities are defendants in a significant number of lawsuits pertaining to property and casualty matters. As of June 30, 1991, outstanding and actuarially determined claims against the state and its public authorities were $80.9 million, for which the state has recorded a present value liability of $61.2 million. Changes in balances of claims liabilities during Fiscal Year 1991 were as follows (expressed in thousands):

	Balances at Beginning of Fiscal Year	Current Year Claims and Changes in Estimates	Claim Payments	Balance at End of Fiscal Year
Claims Liabilities	$ 62,000	$ 9,722	$ (10,476)	$ 61,246

At June 30, 1991, the Risk Management Fund held $25.6 million in cash equivalents designated for payment of these claims. Full funding of these claims is expected by the year 2000, based on current actuarial assumptions and scheduled agency premium payments.

State Employees Insurance

The State Employees Insurance Fund, an internal service fund, establishes a liability when it becomes probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an actuarially determined amount for claims that have been incurred but not reported. Because actual claims liabilities depend on various complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic or social factors.

Changes in the balances of liabilities for claims incurred but not reported during Fiscal Years 1990 and 1991 were as follows (expressed in thousands):

	Beginning Liability	Current Year Claims and Estimated Changes	Claim Payments	Ending Liability
FY 1990	$ 21,232	$ 136,278	$ 134,372	$ 23,138
FY 1991	23,138	152,610	150,549	25,199

At June 30, 1991, the state held $25.2 million in investments designated for payment of these claims.

J. Bonds Payable

Bonds payable at June 30, 1991 consisted of bonds issued by the state of Washington, accounted for in the General Long-Term Obligations Account Group, and certain state agency bonds accounted for in proprietary funds. A detailed schedule of bonds issued and outstanding and those proprietary bonds accounted for by the State Treasurer are presented in the Washington State Treasurer's Annual Report for 1991. A copy of the report is available from the Office of State Treasurer, Legislative Building, Mail Stop: AS-23, Olympia, Washington 98504-0423.

The State Constitution and enabling statutes authorize the incurrence of state general obligation debt, to which the state's full faith, credit, and taxing power are pledged, either by the Legislature or by a body designated by statute (presently the State Finance Committee). Legislative authorization arises from an affirmative vote of 60 percent of both legislative houses without voter consent; or from an affirmative vote of more than 50 percent of both legislative houses and a majority of the voters voting thereon. State Finance Committee debt authorization does not require voter approval, however, it is limited to providing for: (1) temporary deficiencies in the State Treasury (must be discharged within 12 months of the date of incurrence); (2) appropriations already made by the Legislature; or (3) refunding of outstanding obligations of the state.

Debt authorized in the preceding procedures are generally limited by the State Constitution and current statutes. The limitations prohibit the issuance of new debt if it would cause the maximum annual debt service, on all thereafter outstanding general obligation debt, to exceed a specified percentage of the arithmetic mean of general state revenues for the preceding three fiscal years. These limitations are on the incurrence of new debt, not on the amount of debt service which may be paid by the state in future years.

As certified by the State Treasurer, the maximum debt authorization subject to limitation for Fiscal Year 1991 was $3.2 billion, under the then current constitutional and statutory limitation. This computation excludes specific bond issues and types which are not secured by general state revenues. Based on the debt limitation calculation, the debt service requirements as of June 30, 1991, did not exceed the authorized debt service limitation.

State refunded and defeased bond debt totaled $1.3 billion for general governmental bonded debt and $162.7 million for proprietary bonded debt. These refunded and defeased bonds are secured by U.S. Government securities in escrow with the respective banks appointed as bond trustees. Therefore, these bonds are excluded from state debt totals. A schedule of bonds payable by fund type as of June 30, 1991 are as follows (expressed in thousands):

	Enterprise	General Long-Term Obligations Account Group	Total
Matured Bonds Payable	$ 11,749	$ -	$ 11,749
Bonds Payable	388,735	3,721,033	4,109,768
Totals	$ 400,484	$3,721,033	$ 4,121,517
General Obligation (GO) Bonds	$ 249,915	$3,490,765	$ 3,740,680
GO - Zero Interest Rate Bonds (Principal)	21,343	92,443	113,786
GO - Zero Interest Rate Bonds (Accreted Interest)	1,328	10,940	12,268
Limited Obligation Bonds	-	126,885	126,885
Revenue Bonds	127,898	-	127,898
Totals	$ 400,484	$3,721,033	$ 4,121,517

General Obligation Bonds:

General obligation bonds have been authorized and issued primarily to provide funds for acquisition and construction of capital facilities for public and common schools, higher education, public and mental health, corrections, conservation, maintenance and construction of highways, roads, and bridges. The state has also issued bonds for assistance to municipalities for construction of water and sewage treatment facilities and corrections facilities. In addition, bonds are authorized and issued to provide for the advance refunding of general obligation bonds outstanding.

Total debt service requirements for general obligation bonds to maturity as of June 30, 1991 are as follows (expressed in thousands):

General Obligation Bonds:

	Principal	Interest	Total
By Fiscal Year:			
1992	$ 157,810	$ 262,456	$ 420,266
1993	165,290	250,753	416,043
1994	177,035	238,339	415,374
1995	186,425	225,409	411,834
1996	196,145	212,061	408,206
1997 - 2001	1,112,395	839,338	1,951,733
2002 - 2006	913,815	463,970	1,377,785
2007 - 2011	667,025	160,841	827,866
Thereafter	164,740	30,953	195,693
Total Debt Service Requirements	$ 3,740,680	$ 2,684,120	$ 6,424,800

General obligation bonds outstanding and bonds authorized but unissued at June 30, 1991 are as follows (expressed in thousands):

Purpose	Interest Rates	Outstanding Amount	Authorized but Unissued
School Building Construction	4.10% to 9.18%	$ 7,205	$ -
Higher Education	3.40% to 15.00%	385,020	81,510
Institutional and Public Buildings	4.83% to 9.18%	109,600	-
Highways	6.50% to 13.34%	730,795	235,000
Administrative Buildings	5.17% to 13.35%	169,365	-
Convention and Trade	7.00% to 8.90%	128,790	10,656
General	4.85% to 13.35%	2,209,905	593,934
Totals		$ 3,740,680	$ 921,100

Zero Interest Rate General Obligation Bonds:

Zero interest rate general obligation bonds have been authorized and issued primarily to provide funds for acquisition and construction of public administrative buildings and facilities, and capital facilities for public and common schools and higher education.

The following debt service requirements for zero interest rate general obligation bonds to maturity as of June 30, 1991 represent a flow of financial resources consistent with general obligation issues (however, the Changes in General Long-Term Obligations as shown in Note 3.K does recognize the current economic yearly accretion of interest):

Zero Interest Rate General Obligation Bonds
(expressed in thousands):

	Principal	Interest	Total
By Fiscal Year:			
1992	$ -	$ -	$ -
1993	-	-	-
1994	-	-	-
1995	-	-	-
1996	3,555	1,545	5,100
1997 - 2001	48,404	38,556	86,960
2002 - 2006	35,813	57,037	92,850
2007 - 2011	22,040	58,910	80,950
Thereafter	3,974	14,406	18,380
Total Debt Service Requirements	$ 113,786	$ 170,454	$ 284,240

Zero interest rate general obligation bonds outstanding and bonds authorized but unissued at June 30, 1991 are as follows (expressed in thousands):

Purpose	Interest Rates	Outstanding Amount	Authorized but Unissued
Higher Education	6.50% to 7.75%	$ 18,887	$ -
Administrative Buildings	6.50% to 7.10%	73,556	-
Convention and Trade	6.55% to 7.10%	21,343	-
Totals		$ 113,786	$ -

Limited Obligation Bonds:

Limited obligation bonds have been authorized and issued to provide funds for public school plant facilities; state, county and city arterials; and state capital buildings and facilities. These bonds are payable primarily from dedicated revenue of the state's motor vehicle fuel excise tax and other miscellaneous dedicated revenue generated from assets such as harbors and tidelands, parking, and land grants.

Total debt service requirements for limited obligation bonds to maturity at June 30, 1991 are as follows (expressed in thousands):

Limited Obligation Bonds:

	Principal	Interest	Total
By Fiscal Year:			
1992	$ 20,745	$ 6,999	$ 27,744
1993	21,930	5,826	27,756
1994	19,105	4,669	23,774
1995	17,105	3,528	20,633
1996	17,310	2,543	19,853
1997 - 2001	30,690	3,859	34,549
2002 - 2006	-	-	-
2007 - 2011	-	-	-
Thereafter	-	-	-
Total Debt Service Requirements	$ 126,885	$ 27,424	$ 154,309

Limited obligation bonds outstanding and bonds authorized but unissued at June 30, 1991 are as follows (expressed in thousands):

Purpose	Interest Rates	Outstanding Amount	Authorized but Unissued
School Building Construction	4.10% to 9.18%	$ 24,225	$ -
Highways	6.50% to 13.34%	92,345	-
Administrative Buildings	5.17% to 13.35%	10,315	-
Totals		$ 126,885	$ -

Revenue Bonds:

Current state statutes empower certain state agencies to issue bonds that are not supported, or are not intended to be supported, by the full faith and credit of the state. These bonds pledge income derived from acquired or constructed assets for retirement of the debt and payment of the related interest.

Revenue bonds issued by individual agencies are supported by fees, rentals, and tolls assessed to users. Issuing agencies include the University of Washington (housing, dining, and student facilities construction), Washington State University (housing, dining, parking, and student facilities construction), Eastern Washington University (housing, dining, and student facilities construction), Central Washington University (housing, dining, and student facilities construction), the Evergreen State College (housing and dining), Western Washington University (housing and dining), various Community Colleges (housing, dining, and student facilities construction), and the Washington State Department of Transportation (ferry systems).

Total debt service requirements for revenue bonds to maturity at June 30, 1991 are as follows (expressed in thousands):

Revenue Bonds:

	Principal	Interest	Total
By Fiscal Year:			
1992	$ 6,249	$ 7,259	$ 13,508
1993	8,016	6,929	14,945
1994	7,424	6,521	13,945
1995	7,090	6,160	13,250
1996	7,398	5,791	13,189
1997 - 2001	38,042	22,891	60,933
2002 - 2006	19,133	14,623	33,756
2007 - 2011	6,501	10,729	17,230
Thereafter	28,045	13,034	41,079
Total Debt Service Requirements	$ 127,898	$ 93,937	$ 221,835

Revenue bonds outstanding and bonds authorized but unissued at June 30, 1991 are as follows (expressed in thousands):

Purpose	Interest Rates	Outstanding Amount	Authorized but Unissued
Higher Education - Student Activities	2.75% to 8.00%	$ 112,558	$ -
Ferries and Toll Bridges	3.60% to 3.70%	15,340	-
Totals		$ 127,898	$ -

Refunding Bonds:

When advantageous and permitted by statute or bond covenants, the State Finance Committee authorizes the advance refunding of outstanding bonds. As of June 30, 1991, the state issued the following bonds to advance refund various outstanding issues:

General Long-Term Debt Refunding

During Fiscal Year 1991, the state did not issue any bonds to advance refund bonds accounted for in the General Long-Term Obligations Account Group.

Proprietary Fund Refunding

On June 1, 1991, the state issued $36.6 million of Housing and Dining Revenue Bonds (Series 1991) to advance refund outstanding bond liabilities (Pre-1991 Series) and to finance the construction of additional housing facilities. $20.9 million was used to advance refund $26.4 million of outstanding Housing and Dining System Revenue Bonds (Series 1965A-F, 1966, 1979A-B, 1982, and 1988), accounted for in the Student Services Fund. The net proceeds were used to purchase U.S. Government securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments of the Series 1965A-F, 1966, 1979A-B, 1982, and 1988 bonds. As a result these bonds are considered to be defeased and the liability has been removed from the Student Services Fund. The advance refunding resulted in the recognition of an accounting gain of $5.5 million for the fiscal year ended June 30, 1991. Although the state in effect increased its aggregate debt service payments by $13.7 million over the next 30 years and obtained an economic loss of $38,107, it was deemed to be in the best interest to advance refund the pre-1991 bonds in order to free the state from certain unnecessary and restrictive covenants.

K. Changes in General Long-Term Obligations

Changes in the General Long-Term Obligations Account Group for Fiscal Year 1991 are summarized as follows (expressed in thousands):

	Bonds Payable	Workers' Compensation Benefits Payable	Accrued Retirement Costs	Installments & Leases Payable	Other Long-Term Obligations	Total General Long-Term Obligations
Balances at June 30, 1990 as previously reported	$ 3,363,251	$ 3,206,000	$ 801,700	$ 25,619	$ 142,442	$ 7,539,012
Reclassifications*	-	(3,206,000)	-	-	-	(3,206,000)
Balance as restated at July 1, 1990	3,363,251	-	801,700	25,619	142,442	4,333,012
General obligation debt issues	498,400	-	-	-	-	498,400
General obligation zero interest rate debt issues	22,442	-	-	-	-	22,442
Accretion of long-term interest liability on zero interest rate bonds	5,955	-	-	-	-	5,955
Decrease in installment contract obligations	-	-	-	(983)	-	(983)
Increase in lease obligations	-	-	-	9,953	-	9,953
Increase in compensated absences earned	-	-	-	-	17,377	17,377
Payments in excess of actuarially determined accrued retirement obligations required in governmental fund types	-	-	(10,300)	-	-	(10,300)
Decrease in other long-term obligations	-	-	-	-	(2,880)	(2,880)
General and limited obligation retirement of principal	(169,015)	-	-	-	-	(169,015)
Balances at June 30, 1991	$ 3,721,033	$ -	$ 791,400	$ 34,589	$ 156,939	$ 4,703,961

*The Supplemental Pension Account was reclassified from an expendable trust fund to an enterprise fund which moved the unfunded liability from the General Long-Term Obligations Account Group to the enterprise fund.

L. Fund Equity - Other Specific Reserves

Certain fund equity reserves presented in the accompanying financial statements as of June 30, 1991 as Reserved for Other Specific Purposes are further detailed as follows (expressed in thousands):

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust	Total (Memo Only)
Petty Cash	$ 451	$ 1,389	$ -	$ -	$ -	$ -	$ 40	$ 1,880
Long-Term Investments	821	6,116	-	84	-	-	32,431	39,452
Long-Term Receivables	144,461	6,944	-	25	-	-	87,789	239,219
Totals	$ 145,733	$ 14,449	$ -	$ 109	$ -	$ -	$ 120,260	$ 280,551

M. Residual Equity Transfers

The table below reflects residual equity transfers in and out and related activity which occurred during the Fiscal Year ended June 30, 1991 (expressed in thousands):

	Transfers In	Transfers Out
Motor Vehicle Fund	$ 1,381	$ -
Human Services Fund	-	304
Higher Education Fund	-	2
State Facilities Fund	381	-
Higher Education Facilities Fund	-	77
State Ferry and Toll Fund	-	1,052
Higher Education Trust Fund	1	-
Total Residual Equity Transfers	1,763	1,435
Return of Contributed Capital	-	328
Total Residual Equity Transfers and Related Activity	$ 1,763	$ 1,763

NOTE 4 - FUND EQUITY RESTATEMENT

Fund Equity at June 30, 1990 has been restated as follows (expressed in thousands):

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust	Total (Memo Only)
Fund Equity at June 30, 1990 as Previously Reported	$ 1,625,594	$ 920,391	$ 109,118	$ (9,621)	$ 1,089,601	$ 256,537	$ 15,910,703	$ 19,902,323
Reclassifications	3,387	-	-	(3,387)	(3,181,505)	-	(24,495)	(3,206,000)
Accounting Policy Change	-	-	-	-	-	(67,492)	-	(67,492)
Fund Equity as Restated, July 1, 1991	$ 1,628,981	$ 920,391	$ 109,118	$ (13,008)	$ (2,091,904)	$ 189,045	$ 15,886,208	$ 16,628,831

The restatements are explained as follows:

Reclassifications:

Accounting and reporting treatment applied to an account is determined by its measurement focus. Accounts have been reclassified to reflect their proper measurement focus as follows (expressed in thousands):

Account Titles	Fund Type Reclassified From	Amount	Fund Type Reclassified To	Amount
Capitol Purchase and Development Account	Capital Projects	$ (3,387)	General	$ 3,387
Supplemental Pension Account*	Expendable Trust	(21,501)	Enterprise	(3,184,499)
Second Injury Account	Expendable Trust	(2,994)	Enterprise	2,994

*The unfunded liability in the Supplemental Pension Account totals $3.2 billion. The reclassification of this account from an expendable trust to an enterprise fund also moved the unfunded liability from the General Long-Term Obligations Account Group to the enterprise fund. Also, see Note 31 for the effect on the Workers' Compensation Fund.

Accounting Policy Change:

Items Affecting Fund Equity - Insurance Activity Accounting

Accounting and payment of tort claims against the state prior to Fiscal Year 1991 were managed and accounted for on a cash basis. Beginning with Fiscal Year 1991, the state changed its policy on accounting for tort claims to an actuarial full accrual basis. This change is based on actuarial studies completed in 1990 and updated in 1991 to allow for actuarial premium assessment and liability determination including an amount for claims that have been incurred but not reported. State agencies were assessed premiums based on their experience and expected liability incurrence. This accounting method is more preferable in that it allows the state to accumulate adequate resources in support of its self-insurance policy. It also allows a better tracking and reporting of revenue and expense flows from year to year. The effect of the accounting change on the Fund Equity at June 30, 1990 as previously reported is a reduction of $67.5 million.

The effect of the accounting change on Operating Loss as previously reported for the Fiscal Year ended June 30, 1990 is (expressed in thousands):

Operating Loss as previously reported - Fiscal Year 1990	$ 3,357
Adjustment for effect of change in accounting principles assuming the change is applied retroactively	15,492
Adjusted Operating Loss - Fiscal Year 1990	$ 18,849

Items Not Affecting Fund Equity - Timber Sales Contracts

Governmental and similar trust funds for fiscal years prior to 1991 recorded timber sale contracts when issued as a long-term receivable offset by deferred revenue of approximately $196.2 million. For Fiscal Year 1991, accounting policy was changed in that no recording is made when a timber cutting contract is issued. This change is more preferable because the contracts are subject to changes or cancellation due to several conditions including economic conditions until the timber is actually harvested. A receivable and revenue are now recognized when the purchaser harvests the timber. Any uncut timber under contract is maintained on memo records and not reported in the financial statements. The change did not affect the fund equity as previously reported.

NOTE 5 - SEGMENT INFORMATION - ENTERPRISE FUNDS

The state of Washington operates enterprise funds which are intended to be self-supported through fees charged to the public. These funds are broken down into individual accounts for administrative purposes. Enterprise fund activities operated by the state include the following:

	Primary Source of Revenue or Purpose
Liquor Fund	Sales of liquor, and licenses and permits to sell liquor.
Workers' Compensation Fund	Employer premiums for workers' compensation for employment related accidents and disabilities.
Convention and Trade Fund	To attract national and regional conventions to Washington State.
Lottery Fund	Washington State Lottery ticket sales, prize payments, and operations.
State Ferry and Toll Fund	Tolls and fares related to various bridge and ferry operations.
Student Services Fund	Sales and fees related to housing, food service, bookstores, and other enterprises managed by state colleges and universities.
All Other Enterprise Funds	Services and fees charged by the various departments including: Department of Social and Health Services and the Department of Corrections.

The table below reflects in a summarized format the significant enterprise fund activities which have occurred during the Fiscal Year ended June 30, 1991. Interfund transactions have not been eliminated for purposes of this analysis (expressed in thousands):

	Liquor Fund	Workers' Compensation Fund	Convention and Trade Fund	Lottery Fund	State Ferry and Toll Fund	Student Services Fund	All Other Enterprise Funds	Total Enterprise Funds
Operating Revenues	$ 104,811	$ 927,674	$ 16,451	$ 258,790	$ 71,676	$ 373,102	$ 26,271	$ 1,778,775
Depreciation and Amortization	1,172	3,374	4,201	17,665	12,283	18,857	1,858	59,410
Operating Income (Loss)	56,639	(465,001)	3,016	80,960	(39,053)	23,091	14,196	(326,152)
Operating Interfund Transfers (Net)	(40,100)	(7,143)	-	(99,064)	20,450	2,344	3,974	(119,539)
Tax Revenue	21,537	-	13,130	-	-	-	-	34,667
Net Income (Loss)	(12,633)	(120,877)	(8,067)	(259)	(17,479)	29,615	19,423	(110,277)
Current Capital Contribution	-	-	2	-	44,314	7	-	44,322
Return of Contributed Capital	-	-	-	-	(1,818)	-	-	(1,818)
Net Working Capital	7,483	(370,121)	(29,016)	(18,163)	5,901	110,534	38,860	(254,522)
Change in Fixed Assets	1,483	26,302	17,599	(78)	23,609	2,341	3,811	75,067
Total Assets	38,449	4,759,745	198,471	238,607	440,649	574,918	54,116	6,304,955
Bonds and Other Long-Term Liabilities Payable from Operating Revenues	-	3,452,088	149,116	193,327	14,175	169,021	4,874	3,982,601
Other Long-Term Liabilities Payable from Other Sources	-	3,487,892	-	-	-	-	-	3,487,892
Total Equity	13,035	(2,985,302)	22,688	4,404	411,948	339,366	43,761	(2,150,100)

NOTE 6 - RETIREMENT SYSTEMS

A. General Description of the Retirement Systems

The state of Washington, through the Department of Retirement Systems, administers five retirement systems: Public Employees' Retirement System (PERS), Teachers' Retirement System (TRS), Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF), Washington State Patrol Retirement System (WSP), and the Judicial Retirement System (JRS). The state of Washington Board for Volunteer Fire Fighters' administers the Volunteer Fire Fighters' Relief and Pension Fund (VFFRPF), and the Administrator for the Courts administers the Judicial Retirement Account (JRA). In addition, state universities and colleges participate in Teachers' Insurance and Annuity Association/College Retirement Equity Fund (TIAA/CREF) which is privately operated. Information pertinent to each system is stated below.

PERS, TRS, and LEOFF are cost-sharing multiple-employer defined benefit retirement systems; these retirement systems contain two plans. Participants who joined the systems by September 30, 1977 are Plan I members. Those joining thereafter are enrolled in Plan II. JRS and VFFRPF are also cost-sharing multiple-employer defined benefit systems. The WSP is a single-employer defined benefit retirement system. TIAA/CREF and the JRA are multiple-employer defined contribution systems. Pension benefit provisions for all systems have been established by statute. Vesting information for the retirement systems is disclosed on an individual basis (Note 6, Item E - System Details).

The employers' actual current-year covered payroll for the fiscal year ended June 30, 1991 is noted below (expressed in millions):

	PERS	TRS	LEOFF	WSP	JRS	VFFRPF	TOTAL
Washington State	$ 1,957	$ 12	$ 0	$ 37	$ 5	$ 0	$ 2,011
Other Employers	2,020	1,883	443	0	3	N/A	4,349
All Employers	$ 3,977	$ 1,895	$ 443	$ 37	$ 8	$ 0	$ 6,360

TIAA/CREF current-year covered payroll was $412 million. Payroll information is not applicable for VFFRPF since this is a volunteer organization. In VFFRPF pension benefits are based on years of service, not salary. Total current-year payroll for Washington State employees was $2.7 billion.

PERS, TRS, LEOFF, WSP, JRS, VFFRPF, JRA, and TIAA/CREF retirement benefits are financed from a combination of investment earnings and employee, employer, and state contributions. LEOFF benefits are also financed through legislative appropriations. JRS is financed on a pay-as-you-go basis. Employee contributions to PERS, TRS, LEOFF, and WSP accrue interest at a rate specified by the Department of Retirement Systems (DRS). During Fiscal Year 1991, the DRS-established rate on employee contributions was 5.5 percent. Employees in PERS, TRS, LEOFF, and WSP can elect to withdraw total employee contributions and interest earnings thereon upon termination. JRS employees earn no interest on contributions and may not elect to withdraw their contributions upon termination. VFFRPF employees earn no interest on contributions and may elect to withdraw their contributions upon termination.

The Aggregate Cost Method is used in PERS II, TRS II, and LEOFF II to establish a contribution rate which is a level percent of pay. The Entry Age Cost Method is used in PERS I, TRS I, LEOFF I, WSP, JRS, and VFFRPF. The Normal Cost for Plans I is determined by the rate developed in the respective Plan II. For PERS I, TRS I, LEOFF I, and WSP the Unfunded Actuarial Accrued Liability (U.A.A.L.) is amortized as a level percentage of all salaries (Plans I and II) over periods ending in 2024. The JRS U.A.A.L. is amortized over 18 years, ending in 2008; VFFRPF U.A.A.L. is amortized over 27 years, ending in 2017. Plans II have no U.A.A.L.

B. Funding Status And Progress

The total pension benefit obligation is stated below on an individual basis. These totals are based on a standardized disclosure measure as required by GASB Statement 5. This standardized measure is the actuarial present value of credited projected benefits, adjusted for the effects of projected salary increases and any step-rate benefits (LEOFF only) estimated to be payable in the future as a result of employee service to date. Use of the standardized measure enables readers of Washington's financial statements to: (a) assess on an ongoing basis the funding status of each system, (b) assess progress made in accumulating sufficient assets to pay benefits when due, and (c) make comparisons with other states or retirement systems. The standardized disclosure method is independent of the actuarial funding method used to determine contributions to the retirement systems. The assumptions used to determine the contribution rates are the same as those used in determining the pension benefit obligation.

Historical Trend Information for six of the state administered systems is found in the Required Supplementary Section of this report. This will provide information about the progress made by Washington State in accumulating sufficient assets to pay benefits when due.

The Office of the State Actuary, using methods prescribed by statute, determines actuarially required contribution rates for the various systems. The rates actually levied are determined by the Legislature which is not obligated to follow the actuarially determined rates. Often the actual rates have been less than those actuarially required. However, beginning in 1989 the Legislature set employer and state contribution rates for six year intervals for PERS, TRS, LEOFF, and WSP. Plan II employee rates may be set more frequently. The rates are sufficient to fully fund these systems by 2024. House Bill 1268 was recently passed and takes effect September 1, 1991. This bill will facilitate the earning of service credit by part-time employees for PERS I and II, and TRS II Systems. This bill will not affect contribution rates, but the rate will be spread over a larger salary base.

The amounts levied for all systems are recorded in the General Long-Term Obligations Account Group and displayed in the Changes in General Long-Term Obligations (see Note 3.K). The aggregate of contributions actually made exceeded those acutarially required by $10.3 million for all retirement systems as of June 30, 1991. This represents a reduction due to scheduled amortization of the liability.

C. Summary of Selected Actuarial Data

The following summary of selected actuarial data, compiled in accordance with GASB Statement 5, was prepared by the Office of the State Actuary using the latest actuarial data:

	PERS	TRS	LEOFF	WSP	JRS	VFFRPF	Total (Memo Only)
NUMBER OF PARTICIPANTS:							
Active Members:							
Vested	82,837	37,582	7,961	745	60	7,062	136,247
Nonvested	67,445	13,741	3,301	179	37	4,692	89,395
Total Active Members	150,282	51,323	11,262	924	97	11,754	225,642
Inactive Vested Members	6,307	3,473	162	53	0	1,726	11,721
Retired Members	47,881	22,577	5,396	340	91	1,614	77,899
Total Participants	204,470	77,373	16,820	1,317	188	15,094	315,262
Latest Actuarial Valuation Date	12-31-90	6-30-90	12-31-90	12-31-90	12-31-90	12-31-90	
Actuarial Update		6-30-91					
PENSION BENEFIT OBLIGATION (dollars expressed in millions):							
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	$ 3,070	$ 2,330	$ 2,002	$ 80	$ 32	$ 22	$ 7,536
Current Employees:							
Accumulated employee contributions including allocated investment income	1,920	1,486	299	30	6	2	3,743
Employer-financed vested benefits	2,753	2,957	1,265	106	25	17	7,123
Employer-financed nonvested benefits	250	220	45	3	4	0	522
Total Pension Benefit Obligation	7,993	6,993	3,611	219	67	41	18,924
Less Net Assets Available for Benefits as of Actuarial Date (at Market)	6,428	4,717	2,528	229	1	46	13,949
Unfunded (Assets in Excess Of) Pension Benefit Obligation	$ 1,565	$ 2,276	$ 1,083	$ (10)	$ 66	$ (5)	$ 4,975

The measurement of the total pension benefit obligation for PERS, LEOFF, WSP, JRS, and VFFRPF is based on the date of the actuarial valuation as noted in the table above. Net assets available to pay pension benefits were valued as of the same date. The measurement of the total pension benefit obligation for TRS is based on a June 30, 1990, actuarial valuation which was updated to June 30, 1991. Net assets available to pay pension benefits were projected to the same date.

D. Significant Actuarial Assumptions & Benefit Provisions

A summary of significant actuarial assumptions and benefit provisions used to determine the standardized measure of the pension benefit obligation for PERS, TRS, LEOFF, WSP, and JRS is listed below:

- The discount rate used to determine the present value of the pension benefit obligation is 7.5 percent.
- A 5.5 percent projected salary increase due to inflation.
- Projected salary increases due to merit or seniority are based on length of service, with new employees getting increases after one year of service.
  PERS - 5.7 percent for the first year grading to zero with fifteen years of service.
  TRS - level 3.7 percent for fourteen years, then zero.
  LEOFF - 8.1 percent grading to zero with nine years of service.
  WSP - 6.0 percent grading to zero after six years of service.
- For WSP, a COLA which is 2.0 percent of the original benefit amount.
- Normal costs for the systems are as follows:

PERS I	- 10.85	percent of pay	PERS II	- 9.71	percent of pay
TRS I	- 12.26	percent of pay	TRS II	- 12.51	percent of pay
LEOFF I	- 14.80	percent of pay	LEOFF II	- 14.02	percent of pay
WSP	- 23.69	percent of pay	JRS	- 21.26	percent of pay

- Employee contributions are fixed at 6.0 percent of current-year covered payroll in PERS I, LEOFF I, and TRS I, and 7.0 percent in WSP. Employers contribute 6.0 percent of current-year covered payroll in LEOFF I and the state pays the remaining share. All retirement system Plan II members pay 50 percent of the normal costs, with the state or employer paying the balance. For LEOFF II, the state pays 20 percent and the employer pays 30 percent.
- The aggregate cost method incorporates all costs into one rate. There is no separate U.A.A.L. rate for Plans II. The U.A.A.L. of Plans I is amortized over future salaries of both Plan I and Plan II members.

E. System Details

PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)

System Information

The Legislature established PERS in 1947. Membership in the system includes: elected officials; state employees; employees of the Supreme, Appeals, and Superior Courts; employees of legislative committees; community college, college, and university employees not in national higher education retirement programs such as TIAA/CREF; judges of district and municipal courts; noncertificated employees of school districts; and employees of local government. Approximately 49 percent of PERS salaries is from state employment. Retirement benefits are vested after an employee completes five years of eligible service.

Plan I members are eligible for retirement after 30 years of service, or at the age of 60 with 5 years service, or at the age of 55 with 25 years of service. The annual pension is 2 percent of the average final compensation per year of membership service (average final compensation is based on the greatest compensation during any 24 consecutive compensation months), capped at 60 percent.

Plan II members may retire at the age of 65 with 5 years of service, or at age 55 with 20 years of service, with an allowance of 2 percent per year of service of the average final salary (average final compensation is based on the greatest compensation during any consecutive 60 month period). Plan II retirements prior to age 65 are actuarially reduced. There is no cap on years of service credit; and a cost-of-living allowance is granted (indexed to the Seattle Consumer Price Index), capped at 3 percent annually.

Plan I provides duty and non-duty disability benefits. Duty disability retirement benefits for disablement prior to age 60 consist of a temporary life annuity payable to age 60. The amount of the allowance is two-thirds of the average final compensation, not to exceed $4,200 a year. The benefit is reduced by any worker's compensation benefit and is payable as long as the member remains disabled or attains the age of 60. A member with five years of membership service is eligible for non-duty disability retirement. Prior to the age of 55, the allowance amount is 2 percent of the average final compensation for each year of service reduced by 2 percent for each year by which the date of disablement precedes the disabled member's fifty-fifth birthday. The total benefit is limited to 60 percent of the average final compensation. There were no material changes in PERS benefit provisions for the fiscal year ended June 30, 1991.

Contributions Required and Contributions Made

Each biennium the Legislature establishes Plan I employer contribution rates and Plan II employer and employee contribution rates. Employee contribution rates for Plan I are established by statute at 6.00 percent. The employer and employee contribution rates for Plan II are developed by the Office of the State Actuary to fully fund PERS II. All employers are required to contribute at the level established by the Legislature. The methods used to determine the contribution requirements are established under state statute as per RCW 41.40.

The state's actuarially determined (12-31-90) contribution as a percentage of employers' current-year covered payroll for the fiscal year ended June 30, 1991, was 7.33 percent for Plan I, of which 4.85 percent represents normal costs and 2.48 percent represents the U.A.A.L. For Plan II, the rate was 7.33 percent, 4.85 percent represents normal costs and 2.48 percent represents the U.A.A.L. for Plan I. Total PERS actuarially determined contributions were $500 million; $292 million were required from the employer and $208 million from the employee. Total actual contributions were $491 million; $286 million were paid by the employer and $205 million by the employee.

The state's liabilities constitute approximately 49 percent of all PERS liabilities; the state's figures are as follows: required total contributions were $246 million, which required the state to pay $143 million (49 percent of total current-year actuarially determined contribution requirement for all employers), and employees $103 million. Actual total contributions were $242 million, of which the state contributed $141 million and employees $101 million. Actual contribution rates (expressed as a percentage of the employers' current-year covered payroll) at the close of Fiscal Year 1991, were as follows:

	PLAN I	PLAN II
Employer Contributions:		
State Agencies	7.39%	7.39%
Local Governmental Units	7.39%	7.39%
State Government Elective Officials	11.09%	7.39%
Employee Contributions:		
State Agencies	6.00%	4.70%
Local Governmental Units	6.00%	4.70%
State Government Elective Officials	7.50%	4.70%

TEACHERS' RETIREMENT SYSTEM (TRS)

System Information

The TRS was legislatively established in 1938. Eligibility for membership requires service as a certificated employee in grades K-12 in the public schools. TRS is comprised principally of nonstate employees. Retirement benefits are vested after an employee completes five years of eligible service.

Teachers in Plan I are eligible to retire either after 30 years of service, or at the age of 60 with 5 years of service, or at age 55 with 25 years of service. The benefit is 2 percent of the average earnable compensation per year of service (average earnable compensation is based on the greatest compensation during any consecutive two final compensation contract years).

The normal retirement age for Plan II employees is 65. However, members are eligible to retire at the age of 65 with five years of service, or at age 55 with twenty years of service. Plan II benefits are 2 percent of the final average salary per year of service with a cost-of-living allowance indexed to the Seattle Consumer Price Index and capped at 3 percent annually (average final compensation is based on the greatest compensation during any consecutive 60 month period). Plan II retirements prior to age 65 are actuarially reduced.

Death and disability benefits are available in Plan I. TRS I members receive the following additional lump sum death benefits: Retired members - $400.00 (if at least 10 years of membership service), Active members - $600.00. Members on temporary disability receive a temporary life annuity of $180 per month payable up to two years. After five years of service, members on a disability retirement receive an allowance based on salary and service to date of disability. Members prior to April 25, 1973 may elect a benefit based on the formula in effect at that time. There were no material changes in TRS benefit provisions for the fiscal year ended June 30, 1991.

Contributions Required and Contributions Made

Each biennium the Legislature establishes Plan I employer contribution rates and Plan II employer and employee contribution rates. Employee contribution rates for Plan I are established by statute at 6.00 percent. The employer and employee contribution rates for Plan II are developed by the Office of the State Actuary to fully fund TRS II. All employers are required to contribute at the level established by the Legislature. The methods used to determine the contribution requirements are established under state statute as per RCW 41.32.

The state's actuarially determined contribution as a percentage of employers' current-year covered payroll for the fiscal year ended June 30, 1991, was 12.23 percent for Plan I, of which 6.26 percent represents normal costs and 5.97 percent represents the U.A.A.L. For Plan II, the rate was 12.23 percent, of which 6.26 percent represents normal costs and 5.97 percent represents the U.A.A.L. for Plan I. The state is responsible for funding basic education; based upon that funding the school districts make payments directly to the pension fund for pension liabilities incurred for their employees. The total contribution requirement to TRS for the fiscal year ended June 30, 1991, was $348 million for the system as a whole; $232 million was required from employers and $116 million from employees. Total actual contributions were $363 million for the system as a whole; of this amount, employer contributions were $244 million and employee contributions were $119 million.

The total contribution requirement for Washington State was $2.3 million; $1.5 million (0.7 percent of the total current-year actuarially determined contribution requirement for all employers) was required from the state as an employer, and $.8 from employees. Total actual contributions of $2.4 million were made; of this amount, the state contributed $1.6 million and state employees $.8 million. Actual contribution rates (expressed as a percentage of employers' current-year covered payroll) at the close of Fiscal Year 1991, were as follows:

	PLAN I	PLAN II
TRS Employee Contributions	6.00%	6.70%
Employer Contributions	13.06%	13.06%

LAW ENFORCEMENT OFFICERS' AND FIRE FIGHTERS' RETIREMENT SYSTEM (LEOFF)

System Information

LEOFF was established in 1970 by the Legislature. Membership includes all full-time, fully compensated, local law enforcement officers and fire fighters. LEOFF is comprised solely of nonstate employees. Retirement benefits are vested after an employee completes five years of eligible service.

Plan I participants are eligible to retire with 5 years of service at the age of 50. The benefit per year of service is calculated as a percent of final average salary as follows: 5-10 years - 1.0 percent, 10-20 years - 1.5 percent, 20+ years - 2.0 percent. The final average salary is the basic monthly salary received at the time of retirement, provided a member has held the same position or rank for 12 months preceding the date of retirement. Otherwise, it is the average of the highest consecutive 24 months salary within the last 10 years of service. Retirement benefits are fully indexed to the Seattle Consumer Price Index.

Plan II participants are eligible to retire at the age of 50 with 20 years of service, or at 58 with 5 years of service. Retirement benefits prior to age 58 are actuarially reduced. The benefit is 2 percent of average salary per year of service. The average salary is based on the highest consecutive 60 months. Retirement benefits are indexed to the Seattle Consumer Price Index with a cap of 3 percent annually.

Significant death and disability benefits are provided by Plan I. Death benefits for Plan I members on active duty consist of the following: (1) If eligible spouse, 50 percent of the final average salary, plus 5 percent of final average salary for each surviving child, with a limitation on the combined allowances of 60 percent of the final average salary; or (2) If no eligible spouse, 30 percent of final average salary for the first child plus 10 percent for each additional child, subject to a 60 percent limitation of final average salary. Plan I members are eligible for disability benefits after a six month waiting period (during which salary is paid by employer). The amount of the allowance is 50 percent of the final average salary plus 5 percent for each child up to a maximum of 60 percent. Upon recovery from disability before the age of 50, a member is restored to service with full credit for service while disabled. Upon recovery after the age of 50, a member's benefit continues as the greater of his disability allowance or his service retirement allowance. These benefit provisions were established by statute. There were no material changes in LEOFF benefit provisions for the fiscal year ended June 30, 1991.

Contributions Required and Contributions Made

Plan I employers and employees are required to contribute at a rate of 6.00 percent and the state is responsible for the balance of the funding. Employer and employee contribution rates for Plan II are developed by the Office of the State Actuary to fully fund LEOFF II. Plan II employers and employees are required to pay at the level established by the Legislature as per RCW 41.26. The methods used to determine the contribution requirements were established by statute.

The state's actuarially determined contribution rate as a percentage of employers' current-year covered payroll for the fiscal year ended June 30, 1991, was 14.00 percent for Plan I, of which 2.80 percent represents normal costs and 11.20 percent represents the U.A.A.L. For Plan II, the rate was 14.00 percent, of which 2.80 percent represents normal costs and 11.20 percent represents the U.A.A.L. for Plan I. As an employer, the state makes no contributions to LEOFF. However, the Legislature has appropriated money from the General Fund to supplement the current service liability and to fund the prior service costs (U.A.A.L.) as per RCW 41.26.080(3). This is not a constitutional requirement and this liability could be returned to the employer by a change of statute.

The total contribution requirement for Fiscal Year 1991 was $113.0 million; of this amount $21.6 million was required from employers, $29.4 million from employees, and $62.0 million from the state General Fund (55 percent of total liability). Actual total contributions were $126.3 million; of this amount other employers contributed $22.6 million, employees $31.0 million, and the state General Fund $72.7 million. Actual contribution rates (expressed as a percentage of employers' current-year covered payroll) at the close of Fiscal Year 1991, were as follows:

	PLAN I	PLAN II
Employer Contributions	6.00%	4.56%
Employee Contributions	6.00%	7.60%
State of Washington Contributions	16.88%	16.88%

WASHINGTON STATE PATROL RETIREMENT SYSTEM (WSP)

System Information

The Washington State Patrol Retirement System was established by the Legislature in 1947. Any commissioned employee of the State Patrol is eligible to participate.

Members are eligible to retire at age 55 or after 25 years of service with a benefit of 2 percent of final average salary per year of service. The benefit is capped at 75 percent of final average salary. In addition, a 2 percent cost-of-living allowance is included. Retirement benefits are vested after an employee completes five years of eligible service.

Benefit provisions include death benefits, however, the system contains no disability benefits. The death benefit for a spouse of a member on active duty consists of 50 percent of final average salary, and 5 percent of final average salary for each surviving child, with a limitation on the combined allowance of 60 percent of final average salary. No significant changes were made in WSP benefit provisions for the fiscal year ended June 30, 1991.

Contributions Required and Contributions Made

The state's actuarially determined contribution rate (expressed as a percentage of the state's current-year covered payroll) for the fiscal year ended June 30, 1991 was 16.27 percent, of which 16.69 percent represents normal costs and (.42) percent represents the U.A.A.L. State statute (RCW 43.43) obligates employees to contribute at a fixed rate of 7.0 percent. Contribution rates for the state are established for a six year period on the basis of assets and liabilities as shown by actuarial valuation. The WSP actuarially determined contribution for the fiscal year ended June 30, 1991, was $8.6 million; of this amount, $6.0 million was required from employers and $2.6 million from employees. Total actual contributions were $10.5 million; of this amount, $7.9 million (21 percent of total covered payroll) was made by the employer and $2.6 million by the employee.

Trend Information

Three-Year Historical Trend Information for the Washington State Patrol Retirement System is presented below:

WASHINGTON STATE PATROL HISTORICAL TREND INFORMATION - FISCAL YEARS 1988 & 1989, CALENDAR YEAR 1990*

	1990	1989	1988
Net assets available for benefits expressed as a percentage of the pension benefit obligation applicable to State Patrol employees	105%	111%	101%
Unfunded (assets in excess of) pension benefit obligation as a percentage of the State Patrol's annual covered payroll	(29%)	(67%)	(3%)
State contributions to the pension system as a percentage of the state's annual covered payroll in accordance with actuarially determined requirements	16.27%	16.70%	18.67%

* Fiscal Year amounts based on projections; Calendar Year amount is based on actuals.

THE JUDICIAL RETIREMENT SYSTEM (JRS)

System Information

The Judicial Retirement System (JRS) was established by the Legislature in 1971. Membership includes judges elected or appointed to the Supreme Court, Court of Appeals, and Superior Courts, on or after August 9, 1971. The system was capped July 1, 1988, with new judges joining PERS II. Current JRS members were given the option of becoming members of PERS and transferring their JRS service credit. These members had until December 31, 1989 to transfer from JRS to PERS.

Any member who involuntarily terminates with 12 or more years of credited service and 15 years after beginning judicial service, or voluntarily terminates with 15 or more years of credited service, is vested and shall receive retirement benefits upon attaining age 60. Retirement benefits are 3 percent of the average final compensation for 10-15 years of service and 3.5 percent for more than 15 years of service.

Death and disability benefits are also provided. Eligibility for death benefits while on active duty requires 10 or more years of service. A monthly benefit is provided which is equal to 50 percent of the benefit a member would have received if retired, or if greater, 25 percent of the average final compensation of the member. These benefits terminate with the death or remarriage of the recipient. If the member is retired, a 50 percent allowance is provided to the surviving spouse that has been married to the judge at least 3 years at the time of death. Benefits terminate on remarriage. For members with 10 or more years of service, a disability benefit of 50 percent of salary is provided. No significant changes were made in JRS benefit provisions for the fiscal year ended June 30, 1991.

Contributions Required and Contributions Made

The state's actuarially determined contribution rate (expressed as a percentage of the state's current-year covered payroll) for the fiscal year ended June 30, 1991 was 54.47 percent, of which 13.76 percent represents normal cost and 40.71 percent represents the U.A.A.L. Judicial System retirement benefits are financed by 7.50 percent employee and 7.50 percent employer contributions of current-year covered payroll, and by state contributions which are made on a pay-as-you-go basis (RCW 2.10). The JRS actuarially determined total contribution for the fiscal year ended June 30, 1991 was $5.0 million; $0.6 million was required from the employers, $0.6 million from the employees, and $3.8 million (86 percent of total current-year actuarially determined contribution requirement for all employers) from the state General Fund. Total actual contributions were $4.3 million for Fiscal Year 1991; employer contributions were $0.6 million, employee contributions were $0.6 million, and state General Fund contributions were $3.1 million.

THE VOLUNTEER FIRE FIGHTERS' RELIEF AND PENSION FUND (VFFRPF)

System Information

The Volunteer Fire Fighters' Relief and Pension Fund (VFFRPF) was created by the Legislature in 1945. Membership in the system requires volunteer service with a fire department of an electing municipality of Washington State. Members are vested after ten years of service.

After 25 years of active membership, members having reached the age of 65 and who have paid their annual retirement fee for 25 years, are entitled to receive a monthly benefit of $25 plus $7 per year of service. The maximum benefit is $200. Reduced pensions are available for members under the age of 65 or with less than twenty-five years of service.

Death and active duty disability benefits are provided at no cost to the member. Death benefits in the line of duty consist of a lump sum of $2,000. Funeral and burial expenses are also paid in a lump sum of $2,000 for members on active duty. Members receiving disability benefits at the time of death shall be paid $500. Members on active duty shall receive disability payments of $1,650 per month for up to six months; thereafter, payments are reduced. Disabled members receive $825 per month, their spouse $165, and dependent children $70. No significant changes were made in VFFRPF benefit provisions for the fiscal year ended June 30, 1991. Benefit provisions for VFFRPF are established under the authority of RCW 41.24.

Contributions Required and Contributions Made

The pension system is funded through member contributions of $20 per year, employer contributions of $10 per year, and 40 percent of the Fire Insurance Premium Tax, as per RCW 41.24. VFFRPF members earn no interest on contributions and may elect to withdraw their contributions upon termination. The Relief Fund is funded by employer contribution rates of $10 per person.

The state's VFFRPF actuarially determined contribution requirement was $62.63 per member plus $30.03 per fire fighter for the disability and medical benefits. The VFFRPF actuarially determined total contribution of the fiscal year ended June 30, 1991 was $1.95 million; of this amount employers were required to contribute $118,000, employees $235,000, and the state $1.6 million (82 percent of total liability). Total actual contributions were $2.44 million; employer contributions were $115,000, employee $231,000, and state $1.9 million (40 percent of net fire insurance premium taxes); in addition, $196,000 in disability fees were paid by employers. Since this is a volunteer organization, benefits are paid based on years of service not salary.

TEACHERS' INSURANCE AND ANNUITY ASSOCIATION/COLLEGE RETIREMENT EQUITY FUND (TIAA/CREF)

System Information

TIAA/CREF is privately operated and not administered by Washington State. TIAA/CREF covers higher education faculty and other positions as designated by each institution; participation was established under RCW 28B.10. The employee must commence participation within the first two years of employment. Once eligible to participate in this system, members are vested immediately.

TIAA/CREF benefits are payable upon termination at the member's option unless the participant is reemployed in another institution which participates in TIAA/CREF. Upon retirement, participant accumulations are used to purchase an annuity. The benefits are determined as follows: TIAA - accumulations are converted to a fixed guaranteed annuity payable for life. In addition to the guaranteed annuity, a dividend payment is declared each year depending on investment performance; CREF - at retirement the value of the fund is converted to a variable annuity. This means the annuity is not guaranteed but rises and falls with the value of equity investments.

Current-year covered payroll for TIAA/CREF employees was $412 million for the fiscal year ended June 30, 1991.

Contributions Required and Contributions Made

Employee contribution rates, which are based on age, range from five to ten percent of salary. These rates are matched by the institution and sent to TIAA/CREF. The employer and employee obligation to contribute are established per RCW 28B.10. The contribution requirement for TIAA/CREF was $68 million. Actual employer and employee contributions were $34 million each, for a total of $68 million. These contribution amounts represent 8 percent of covered payroll for employers and employees.

JUDICIAL RETIREMENT ACCOUNT

System Information

The Judicial Retirement Account Plan (JRA) was established by the Legislature in 1988 and is administered by the state of Washington Administrator for the Courts, under the direction of the Board for Judicial Administration. Membership includes judges elected or appointed to the Supreme Court, Court of Appeals, and Superior Court, and who are members of the PERS for their services as a judge. Vesting is full and immediate.

A JRA member who separates from judicial service for any reason is entitled to receive a lump sum distribution of the accumulated contributions. If a member dies, the amount of accumulated contributions standing to the member's credit at the time of the member's death shall be paid to such a person or persons having an insurable interest in the member's life, per written designation of the member.

Current-year covered payroll for JRA employees was $5.8 million for the fiscal year ended June 30, 1991.

Contributions Required and Contributions Made

Employees contributions equal 2.5 percent of salary; the state, as employer, matches this amount. Contributions are collected by the Administrator for the Courts. The employer and employee obligations to contribute were established per RCW 2.14. The contribution requirement for JRA was $288,000. Actual employer and employee contributions were $144,000 each, for a total of $288,000.

NOTE 7 - DEFERRED COMPENSATION PLAN

The state of Washington offers its employees, and employees of those political subdivisions that elect to participate, a deferred compensation plan pursuant to RCW 41.04.250, in accordance with Internal Revenue Code Section 457. Under the plan, eligible employees elect to defer a portion of their salary until future time periods. The deferred compensation is not available to employees until termination, retirement, disability, death, or unforeseeable financial emergency.

Compensation deferred under the plan and all income attributable to the plan are solely the property of the state. The state's rights to this property are subject only to the claim of the state's general creditors until paid to the employee or other beneficiary and are not restricted to the benefit provisions under the plan. Political subdivisions electing to participate retain separate property rights.

The rights of state employees under the plan are equal to those of general creditors of the state in an amount equal to the fair market value of the deferred account for each participant.

The Deferred Compensation Committee has fiduciary responsibility for plan assets and has the duty of due care that would be required of an ordinary prudent investor. It is highly unlikely that the state will be required to use the assets to satisfy claims of general creditors in the future.

Of the $252.8 million in the plan at June 30, 1991, $239.2 million was applicable to the state, while the remaining $13.6 million represents the assets of the other jurisdictions participating in the plan. Deferred Compensation Plan investments along with the corresponding liability, are recorded at fair market value in the Deferred Compensation Agency Fund.

NOTE 8 - CONTINGENCIES

Litigation

The state and its agencies are parties to numerous routine legal proceedings which normally occur in governmental operations. The reoccurring pattern of such litigation is not likely to have a materially adverse effect on the state's revenues or expenditures. There is only one legal proceeding, which was noted last year and is still pending, that should be noted.

Washington Public Power Supply System Bond Holder Suit

In 1983 numerous actions were commenced in federal courts on behalf of bond holders who had financed two nuclear power plants in Washington State; the construction of which was terminated prior to completion. Those bonds were not Washington State bonds, they were revenue bonds issued by the Washington Public Power Supply System for project nos. 4 and 5, totaling approximately $2.4 billion. The federal court actions were consolidated as MDL 551. The state was not a defendant.

In November 1984, holders of Washington Public Power Supply System project nos. 4 and 5 revenue bonds sued the state of Washington and certain state elected officials in a class action suit in King County Superior Court. That lawsuit sought to impose liability on the state, which was not the issuer of the bonds, under several alternative theories. The state moved to dismiss the action on the ground that the complaint failed to state a claim upon which relief could be granted. On June 27, 1985, the superior court granted the state's motion to dismiss. The plaintiffs appealed and on May 12, 1988 the State Supreme Court reversed the dismissal. In a 5 to 4 decision the Supreme Court ruled the dismissal of the lawsuit at the preliminary stage was inappropriate and the plaintiffs should have had the opportunity to produce and present evidence in support of their allegations. The state filed a motion for reconsideration of two issues which was denied by the State Supreme Court on July 27, 1989. The lawsuit was remanded to the superior court, but no further proceedings have been held as of December 3, 1991.

On September 6, 1989, the United States District Court approved a comprehensive settlement of MDL 551, the federal court securities litigation relating to the Washington Public Power Supply System project nos. 4 and 5 revenue bonds. The state of Washington was requested by the parties in that litigation to participate in the comprehensive settlement. The state agreed to contribute $10 million to conclude any and all claims against the state. Funds for the settlement were appropriated by the Legislature and the settlement was approved by the parties and the federal district court. An appeal was taken to the Ninth Circuit Court of Appeals challenging the settlement. Oral argument was presented on February 7, 1991, but no decision has been issued by the Ninth Circuit. If the settlement in federal court is affirmed, it is anticipated that, based upon the release in that settlement, the lawsuit in state court will be dismissed.

Federal Assistance

The state has received federal financial assistance for specific purposes that are generally subject to review or audit by the grantor agencies. Entitlement to this assistance is generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of assistance for allowable purposes. Any disallowance resulting from a review or audit may become a liability of the state. The state does estimate and recognize a claims and judgments liability for disallowances when determined by the grantor agency or for probable disallowances based on experience pertaining to these grants, however these recognized liabilities and any unrecognized disallowances are considered immaterial to the state's overall financial condition.

NOTE 9 - SUMMARY OF SUBSEQUENT EVENTS

Bond Issues

On August 15, 1991, the state refunded $600.4 million in general obligation bonds by issuing general obligation refunding bonds in the par amount of $654.4 million.

On October 10, 1991, the state issued $50.0 million in zero interest rate general obligation bonds to provide matching funds for common school construction by local school districts.

Required Supplementary Information

Public Employees' Retirement System Analysis of Funding Progress

Calendar Years 1981 through 1990
(dollars in millions)

	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
Net Assets Available for Benefits	$6,428	$6,222	$5,296	$4,634	$4,110	$3,482	$2,708	$2,580	$2,111	$1,992
Pension Benefit Obligation	$7,993	$7,259	$6,731	$5,944	$5,304	$4,797	$4,258	$4,138	$3,808	$3,415
Percentage Funded	80%	86%	79%	78%	77%	73%	64%	62%	55%	58%
Unfunded Pension Benefit Obligation	$1,565	$1,037	$1,435	$1,310	$1,194	$1,315	$1,550	$1,558	$1,697	$1,423
Annual Covered Payroll	$3,912	$3,454	$3,186	$2,932	$2,668	$2,524	$2,265	$2,084	$1,922	$1,850
Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll	40%	30%	45%	45%	45%	52%	68%	75%	88%	77%

Note: Assets are valued at market for the years 1982-1990; valuation assets for the year 1981.

Source: Washington State Office of the State Actuary.

Public Employees' Retirement System Revenues by Source and Expenses by Type

Calendar Years 1981 through 1990
(dollars in millions)

	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
Revenues by Source:										
Employee Contributions	$191.4	$176.2	$167.5	$154.2	$149.5	$140.3	$129.2	$119.1	$114.9	$112.1
Employer Contributions:										
Amount	247.9	206.0	189.1	206.0	227.3	193.9	164.4	141.5	127.7	133.0
As Percentage of Covered Payroll	6.3%	6.0%	5.9%	7.0%	8.5%	7.7%	7.3%	6.8%	6.6%	7.2%
Investment Income/Miscellaneous	102.4	860.5	591.8	436.0	194.4	278.9	220.2	231.1	184.8	178.9
Total Revenues	$541.7	$1,242.7	$948.4	$796.2	$571.2	$613.1	$513.8	$491.7	$427.4	$424.0
Expenses by Type:										
Benefits	$302.2	$280.1	$260.8	$241.0	$222.4	$207.2	$197.4	$186.5	$160.7	$133.9
Administrative Expenses	1.2	1.2	1.1	2.2	2.9	4.4	3.8	2.8	1.0	1.1
Refunds	36.1	34.9	30.9	28.8	31.1	31.5	31.5	28.7	28.2	33.5
Total Expenses	$339.5	$316.2	$292.8	$272.0	$256.4	$243.1	$232.7	$218.0	$189.9	$168.5

Note: Investment earnings reflect dividends, interest, and realized capital gains for the years 1981 through 1986; for 1987 through 1990, unrealized gains and losses are also reflected.

Source: Washington State Office of the State Actuary.

Teachers' Retirement System Analysis of Funding Progress

Fiscal Years 1982 through 1991
(dollars in millions)

	1991	*1990*	*1989*	*1988*	*1987*	*1986*	*1985*	*1984*	*1983*	*1982*
Net Assets Available for Benefits	$4,717	$4,315	$3,942	$3,425	$3,264	$2,729	$2,129	$1,613	$1,593	$1,100
Pension Benefit Obligation	$6,993	$6,407	$5,898	$5,474	$4,834	$4,407	$4,029	$3,768	$3,711	$3,561
Percentage Funded	67%	67%	67%	63%	68%	62%	53%	43%	43%	31%
Unfunded Pension Benefit Obligation	$2,276	$2,092	$1,956	$2,049	$1,570	$1,678	$1,900	$2,155	$2,118	$2,461
Annual Covered Payroll	$1,826	$1,718	$1,562	$1,461	$1,364	$1,318	$1,255	$1,178	$1,075	$1,101
Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll	125%	122%	125%	140%	115%	127%	151%	183%	197%	224%

Notes: Net assets available to pay pension benefits were projected to June 30, 1991.
Assets valued at market.

Source: Washington State Office of the State Actuary.

Teachers' Retirement System Revenues by Source and Expenses by Type

Fiscal Years 1981 through 1990
(dollars in millions)

	1990	*1989*	*1988*	*1987*	*1986*	*1985*	*1984*	*1983*	*1982*	*1981*
Revenues by Source:										
Employee Contributions	$106.1	$100.5	$89.7	$90.7	$79.7	$74.3	$71.1	$65.6	$65.1	$62.1
Employer Contributions:										
Amount	199.2	181.8	163.9	153.4	155.0	156.6	168.3	179.7	106.8	96.8
As Percentage of Covered Payroll	11.6%	11.6%	11.2%	11.2%	11.8%	12.5%	14.3%	16.7%	9.7%	9.1%
Investment Income	319.4	457.9	130.8	483.8	196.0	181.9	158.7	135.8	118.2	113.8
Total Revenues	$624.7	$740.2	$384.4	$727.9	$430.7	$412.8	$398.1	$381.1	$290.1	$272.7
Expenses by Type:										
Benefits	$243.1	$216.8	$202.5	$187.5	$174.5	$161.8	$155.9	$179.2	$125.3	$104.7
Administrative Expenses	0.7	0.7	0.7	1.5	2.8	2.6	2.2	0.1	0.6	0.4
Refunds	7.2	6.3	5.5	5.9	7.3	7.4	7.1	6.4	8.6	6.6
Total Expenses	$251.0	$223.8	$208.7	$194.9	$184.6	$171.8	$165.2	$185.7	$134.5	$111.7

Notes: Investment earnings reflect dividends, interest, and realized capital gains from 1981 through 1986; for 1987 through 1990, unrealized gains and losses are also reflected.
Data for 1991 is not yet available.

Source: Washington State Office of the State Actuary.

Law Enforcement Officers' and Fire Fighters' Retirement System Analysis of Funding Progress

Calendar Years 1981 through 1990
(dollars in millions)

	1990	*1989*	*1988*	*1987*	*1986*	*1985*	*1984*	*1983*	*1982*	*1981*
Net Assets Available for Benefits	$2,528	$2,484	$2,127	$1,887	$1,686	$1,376	$1,031	$913	$700	$456
Pension Benefit Obligation	$3,611	$3,318	$3,030	$2,769	$2,631	$2,424	$2,197	$3,233	$2,952	$2,596
Percentage Funded	70%	75%	70%	68%	64%	57%	47%	28%	24%	18%
Unfunded Pension Benefit Obligation	$1,083	$834	$903	$882	$945	$1,048	$1,166	$2,320	$2,252	$2,140
Annual Covered Payroll	$429	$385	$363	$328	$314	$295	$276	$256	$236	$217
Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll	252%	217%	249%	269%	301%	355%	422%	906%	954%	986%

Note: Assets valued at market for the years 1981-1990.

Source: Washington State Office of the State Actuary.

Law Enforcement Officers' and Fire Fighters' Retirement System Revenues by Source and Expenses by Type

Calendar Years 1981 through 1990
(dollars in millions)

	1990	*1989*	*1988*	*1987*	*1986*	*1985*	*1984*	*1983*	*1982*	*1981*
Revenues by Source:										
Employee Contributions	$28.3	$27.8	$26.5	$22.3	$21.2	$19.7	$18.3	$16.8	$15.4	$13.9
Employer & State Contributions										
Amount	84.5	78.8	75.3	117.8	160.0	135.7	146.8	107.9	149.9	53.5
As Percentage of Covered Payroll	19.7%	20.5%	20.7%	35.9%	51.0%	46.0%	53.2%	42.1%	63.5%	24.7%
Investment Income/Miscellaneous	38.3	345.3	94.7	146.2	80.0	120.4	81.6	86.4	55.7	53.9
Total Revenues	$151.1	$451.9	$196.5	$286.3	$261.2	$275.8	$246.7	$211.1	$221.0	$121.3
Expenses by Type:										
Benefits	$103.3	$94.6	$87.9	$82.4	$77.3	$72.1	$66.9	$62.7	$54.8	$45.7
Administrative Expenses	0.5	0.6	0.6	1.0	1.2	1.6	1.1	1.0	0.4	0.3
Refunds	2.2	1.7	1.6	1.4	1.4	1.3	1.5	0.9	1.0	1.1
Total Expenses	$106.0	$96.9	$90.1	$84.8	$79.9	$75.0	$69.5	$64.6	$56.2	$47.1

Note: Investment earnings reflect dividends, interest, and realized capital gains from 1981 through 1986; for 1987 through 1990, unrealized gains and losses are also reflected.

Source: Washington State Office of the State Actuary.

Washington State Patrol Retirement System Analysis of Funding Progress

Fiscal Years 1981 through 1989, Calendar 1990
(dollars in millions)

	1990	*1989*	*1988*	*1987*	*1986*	*1985*	*1984*	*1983*	*1981*
Net Assets Available for Benefits	$229	$208	$181	$170	$139	$111	$87	$86	$62
Pension Benefit Obligation	$219	$188	$180	$164	$137	$128	$130	$120	$90
Percentage Funded	105%	111%	101%	104%	101%	87%	67%	72%	69%
Unfunded (Assets in Excess of) Pension Benefit Obligation	($10)	($21)	($1)	($6)	($2)	$17	$43	$34	$28
Annual Covered Payroll	$35	$31	$29	$28	$26	$25	$24	$22	$19
Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll	(29)%	(67)%	(3)%	(21)%	(8)%	68%	179%	155%	147%

Notes: Data was not available for 1982.
1984-1990 assets are at market; 1983 is valuation assets.
1983-1989 Fiscal Year. 1990 on a Calendar Year.

Source: Washington State Office of the State Actuary.

Washington State Patrol Retirement System Revenues by Source and Expenses by Type

Fiscal Years 1981 through 1989, Calendar 1990
(dollars in thousands)

	1990	*1989*	*1988*	*1987*	*1986*	*1985*	*1984*	*1983*	*1981*
Revenues by Source:									
Employee Contributions	$1,296	$2,230	$2,152	$1,986	$1,851	$2,452	$2,048	$1,567	$1,359
Employer Contributions:									
Amount	3,570	6,064	6,003	6,224	5,769	5,744	5,669	5,351	4,497
As Percentage of Covered Payroll	20.5%	19.9%	20.6%	22.2%	22.2%	23.0%	23.6%	24.3%	23.7%
Investment Income/Miscellaneous	(528)	24,404	7,647	27,537	12,507	13,731	10,044	11,040	5,244
Total Revenues	$4,338	$32,698	$15,802	$35,747	$20,127	$21,927	$17,761	$17,958	$11,100
Expenses by Type:									
Benefits	$3,041	$5,190	$4,667	$4,223	$3,948	$3,723	$3,359	$2,948	$1,819
Administrative Expenses	19	24	21	77	217	218	217	94	42
Refunds	7	125	240	26	108	91	14	16	88
Total Expenses	$3,067	$5,339	$4,928	$4,326	$4,273	$4,032	$3,590	$3,058	$1,949

Notes: Investment earnings reflect dividends, interest and realized capital gains for periods stated; for 1987 through 1990, unrealized gains and losses are also reflected.
Data for 1982 was not available because the system was not evaluated on a yearly basis.
Data for 1990 is for the six months ending December 31.

Source: Washington State Office of the State Actuary.

Judicial Retirement System Analysis of Funding Progress

Calendar Years 1986 through 1990
(dollars in thousands)

	1990	1989	1988	1987	1986
Net Assets Avail. for Benefits (at Market)	$800	$30	$1,812	$1,144	$553
Pension Benefit Obligation	$66,800	$67,116	$60,719	$58,414	$52,449
Percentage Funded	1%	0%	3%	2%	1%
Unfunded Pension Benefit Obligation	$66,000	$67,086	$58,907	$57,270	$51,896
Annual Covered Payroll	$7,767	$8,063	$8,904	$8,978	$8,288
Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll	850%	832%	662%	638%	626%

Note: Data not available for years 1981 through 1985.

Source: Washington State Office of the State Actuary.

Judicial Retirement System Revenues by Source and Expenses by Type

Calendar Years 1986 through 1990
(dollars in thousands)

	1990	1989	1988	1987	1986
Revenues by Source:					
Employee Contributions	$612	$640	$787	$641	$641
Employer Contributions:					
Amount	612	640	787	636	632
As Percentage of Covered Payroll	7.9%	7.9%	8.8%	7.1%	7.6%
General Fund/Transfer from PERS	3,111	580	1,331	1,350	-
Investment Income	3	84	70	110	105
Total Revenues	$4,338	$1,944	$2,975	$2,737	$1,378
Expenses by Type:					
Benefits	$3,244	$3,003	$2,428	$2,141	$2,036
Administrative Expenses	2	4	6	6	-
Refunds	-	-	-	-	-
Total Expenses	$3,246	$3,007	$2,434	$2,147	$2,036

Notes: Data not available for years 1981 through 1985.
Investment earnings reflect dividends, interest, and realized capital gains for 1986; for 1987 through 1990, unrealized gains and losses are also reflected.

Source: Washington State Office of the State Actuary.

Volunteer Fire Fighters' Relief and Pension Fund Analysis of Funding Progress

Calendar Years 1987 through 1990
(dollars in thousands)

	1990	1989	1988	1987
Net Assets Avail. for Benefits (at Market)	$46,099	$43,966	$38,504	$35,975
Pension Benefit Obligation	$40,504	$38,465	$39,930	$38,376
Percentage Funded	114%	114%	96%	94%
Unfunded (Assets in Excess of) Pension Benefit Obligation	($5,595)	($5,501)	$1,426	$2,401
Annual Covered Payroll	N/A	N/A	N/A	N/A
Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A

Notes: Covered payroll is not presented because it is not applicable since this is a volunteer organization.
The pension benefit is based on years of service, not salary.
Data not available prior to 1987.

Source: Washington State Office of the State Actuary.

Volunteer Fire Fighters' Relief and Pension Fund Revenues by Source and Expenses by Type

Calendar Years 1987 through 1990
(dollars in thousands)

	1990	1989	1988	1987
Revenues by Source:				
Employee Contributions	$231	$220	$222	$214
Employer Contributions:				
Amount	115	110	111	107
As Percentage of Covered Payroll	N/A	N/A	N/A	N/A
Fire Insurance Premium Tax (40% net)	1,892	1,900	1,986	2,084
Disability Fees	197	104	97	97
Investment Income/Miscellaneous	3,194	6,290	3,009	1,775
Total Revenues	$5,629	$8,624	$5,425	$4,277
Expenses by Type:				
Benefits	$3,319	$2,995	$2,752	$2,612
Administrative Expenses	155	150	122	121
Refunds	22	18	20	19
Total Expenses	$3,496	$3,163	$2,894	$2,752

Notes: Data not available prior to 1987.
Investment earnings reflect dividends, interest, realized capital gains, and unrealized gains and losses.

Source: Washington State Office of the State Actuary.

Workers' Compensation Fund - Basic Plan
Claims Development Information

Fiscal Years 1986 through 1991
(dollars in thousands)

The table below illustrates how the Fund's earned revenues (net of reinsurance) and investment income compare to the related costs of loss (net of loss reinsurers) and other expenses assumed by the Fund as of the end of each of the last six years. The rows of the table are defined as follows: (1) This line shows the total of each fiscal year's earned contribution revenues and investment revenues. (2) This line shows each fiscal year's other operating costs of the Fund including overhead and claims expense not allocable to individual claims. (3) This line shows the Fund's incurred claims (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (called policy year). (4) This section of 6 rows shows the cumulative amounts paid as of the end of successive years for each policy year. (5) This section of 6 rows shows how each policy year's incurred claims increased or decreased as of the end of successive years. This annual reestimation results from new information received on known claims, reevaluation of existing information on known claims, as well as emergence of new claims not previously known. (6) This line compares the latest reestimated incurred claims amount to the amount originally established (line 3) and shows whether this latest estimate of claims cost is greater or less than originally thought. As data for individual policy years mature, the correlation between original estimates and reestimated amounts is commonly used to evaluate the accuracy of incurred claims currently recognized in less mature policy years. The columns of the table show data for successive policy years.

		1986	*1987*	*1988*	*1989*	*1990*	*1991*
1.	Net earned required contribution and investment revenues	878,561	802,121	882,967	934,841	1,035,951	1,149,539
2.	Unallocated expenses						102,658
	Other expenses						67,688
	Total Unallocated and Other Expenses						170,346
3.	Estimated incurred claims and expense, end of policy year						855,828
4.	Paid (cumulative) as of:						
	End of policy Year						145,537
	One Year Later						
	Two years later						
	Three years later						
	Four Years later						
5.	Reestimated incurred claims and expense:						
	End of policy year						855,828
	One Year later						
	Two years later						
	Three years later						
	Four years later						
6.	Increase (decrease) in estimated incurred claims and expense from end of policy year						

NOTE: Net earned required contribution and investment revenues data not available prior to Fiscal Year 1986. Other data is available only for Fiscal Year 1991.

Workers' Compensation Fund - Supplemental Pension Claims Development Information

Fiscal Years 1986 through 1991
(dollars in thousands)

The table below illustrates how the Fund's supplemental pension cost of living adjustments earned revenues (net of reinsurance) and investment income compare to the related costs of loss (net of loss reinsurers) as of the end of each of the last six years. The unallocated and other expenses of this plan are paid by the workers' compensation basic plan. This claims development information is reported separate from the basic plan for the following reasons: (1) This plan covers self-insured, while the basic does not, (2) This plan is not experienced rated while the basic plan is, and (3) Statutes restrict the funding of this to expected payments of the current year. The rows of the table are defined as follows: (1) This line shows the total of each fiscal year's earned contribution revenues and investment revenues. (2) This line shows the Fund's incurred claims (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (called policy year). (3) This section of 6 rows shows the cumulative amounts paid as of the end of successive years for each policy year. (4) This section of 6 rows shows how each policy year's incurred claims increased or decreased as of the end of successive years. This annual reestimation results from new information received on known claims, reevaluation of existing information on known claims, as well as emergence of new claims not previously known. (5) This line compares the latest reestimated incurred claims amount to the amount originally established (line 3) and shows whether this latest estimate of claims cost is greater or less than originally thought. As data for individual policy years mature, the correlation between original estimates and reestimated amounts is commonly used to evaluate the accuracy of incurred claims currently recognized in less mature policy years. The columns of the table show data for successive policy years.

		1986	*1987*	*1988*	*1989*	*1990*	*1991*
1.	Net earned required contribution and investment revenues	91,518	146,074	109,886	117,756	121,388	123,713
2.	Estimated incurred claims and expense, end of policy year						243,934
3.	Paid (cumulative, as of:						
	End of policy Year						-
	One Year Later						
	Two years later						
	Three years later						
	Four Years later						
4.	Reestimated incurred claims and expense:						
	End of policy year						243,934
	One Year later						
	Two years later						
	Three years later						
	Four years later						
5.	Increase (decrease) in estimated incurred claims and expense from end of policy year						-

NOTE: Net earned required contribution and investment revenues data not available prior to Fiscal Year 1986. Other data is available only for Fiscal Year 1991.

Workers' Compensation Fund
Reconciliation of Claims Liabilities by Plan

Fiscal Years 1990 and 1991

The schedule below presents the changes in claim liabilities for the past two years for the fund's two benefit plans: Workers' Compensation Basic Plan and Workers' Compensation Supplemental Pension Plan.

	Basic Plan		Supplemental Plan	
	FY 1991	**FY 1990**	**FY 1991**	**FY 1990**
Unpaid claims and claim adjustment expenses at beginning of year	3,713,788	3,433,087	3,325,000	2,953,000
Incurred claims and claim adjustment expenses:				
Provision for insured events of the current year	958,486	972,632	243,934	248,592
Increases in provision for insured events of prior years	58,356	(68,265)	65,461	232,176
Total claims and claim adjustment expenses	1,016,842	904,367	309,395	480,768
Payments:				
Claims and claim adjustment expenses attributable to events of the current year	162,006	152,829	-	-
to insured events of prior years	511,732	470,837	115,395	108,768
Total Payments	673,738	623,666	115,395	108,768
Total unpaid claims and claim adjustment expenses at year end	4,056,892	3,713,788	3,519,000	3,325,000

Combining Financial Statements

General Fund

The General Fund accounts for all financial resources and transactions not accounted for in another fund. The basic portion is nonrestrictive in use, whereas the restricted portion is earmarked for specific purposes.

Schedule of Assets, Liabilities, and Fund Balance
General Fund
June 30, 1991

expressed in thousands

	Basic	Restricted	Totals June 30, 1991	Totals June 30, 1990
Assets				
Cash and pooled investments	$ 499,602	$ 486,986	$ 986,588	$ 1,199,127
Investments	-	821	821	855
Taxes receivable (net of allowance)	1,254,924	3,405	1,258,329	1,179,342
Other receivables (net of allowance)	89,648	6,223	95,871	155,106
Due from other funds	164,498	29,062	193,560	140,993
Due from other governments	288,600	89,311	377,911	319,759
Inventories	11,559	740	12,299	12,540
Total Assets	$ 2,308,831	$ 616,548	$ 2,925,379	$ 3,007,722
Liabilities and Fund Balance				
Liabilities:				
Accounts payable	$ 377,570	$ 8,276	$ 385,846	$ 247,323
Contracts and retainages payable	5,431	12,036	17,467	14,890
Accrued liabilities	83,309	6,867	90,176	123,651
Due to other funds	221,854	18,501	240,355	210,578
Due to other governments	23,463	1,606	25,069	26,005
Deferred revenues	651,319	1,740	653,059	759,681
Claims and judgements payable	35,458	-	35,458	-
Total Liabilities	1,398,404	49,026	1,447,430	1,382,128
Fund Balance:				
Reserved for:				
Encumbrances	2,290	412	2,702	191,630
Inventories	10,533	740	11,273	12,540
Restricted accounts	-	477,742	477,742	459,086
Working capital	374,750	-	374,750	332,535
Other specific purposes	57,105	88,628	145,733	77,679
Unreserved:				
Undesignated	465,749	-	465,749	552,124
Total Fund Balance	910,427	567,522	1,477,949	1,625,594
Total Liabilities and Fund Balance	$ 2,308,831	$ 616,548	$ 2,925,379	$ 3,007,722

Schedule of Revenues, Expenditures, and Changes in Fund Balance
General Fund
For the Fiscal Year Ended June 30, 1991
(expressed in thousands)

	Basic	Restricted	Totals For The Year Ended June 30, 1991	 June 30, 1990
Revenues:				
Retail sales taxes	$ 3,582,346	$ -	$ 3,582,346	$ 3,295,296
Business and occupation taxes	1,154,768	-	1,154,768	1,134,861
Property taxes	742,440	-	742,440	680,956
Excise taxes	553,180	72,902	626,082	635,197
Motor vehicle and fuel taxes	2,011	3,354	5,365	3,321
Other taxes	513,893	88,100	601,993	572,316
Licenses, permits, and fees	51,875	19,928	71,803	66,451
Federal grants-in-aid	1,907,611	3,232	1,910,843	1,642,869
Charges for services	219,824	589	220,413	201,835
Miscellaneous revenue	132,099	126,225	258,324	249,270
Total Revenues	8,860,047	314,330	9,174,377	8,482,372
Expenditures:				
Current:				
General government	362,029	136,698	498,727	466,446
Human services	3,662,596	24,757	3,687,353	3,126,482
Natural resources and recreation	188,078	61,287	249,365	213,950
Transportation	27,185	10,801	37,986	31,257
Education	4,371,994	9,450	4,381,444	3,876,872
Capital outlays	139,192	25,972	165,164	129,676
Debt service:				
Principal	3,600	85	3,685	11,470
Interest	777	12	789	1,168
Total Expenditures	8,755,451	269,062	9,024,513	7,857,321
Excess of Revenues Over (Under) Expenditures	104,596	45,268	149,864	625,051
Other Financing Sources (Uses):				
Operating transfers in	187,842	47,779	235,621	410,448
Operating transfers out	(508,577)	(35,710)	(544,287)	(537,390)
Capital lease acquisitions	7,704	66	7,770	8,602
Total Other Financing Sources (Uses)	(313,031)	12,135	(300,896)	(118,340)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(208,435)	57,403	(151,032)	506,711
Fund Balances:				
Fund balances as restated, July 1	1,118,862	510,119	1,628,981	1,118,761
Residual equity transfers in	-	-	-	130
Residual equity transfers out	-	-	-	(8)
Fund Balances, June 30	$ 910,427	$ 567,522	$ 1,477,949	$ 1,625,594

Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual General Fund For the Biennium Ended June 30, 1991

(expressed in thousands)

	Basic			Restricted		
	Approved Budget 1989-91 Biennium	**Actual For 1989-91 Biennium**	**Variance Favorable (Unfavor able)**	**Approved Budget 1989-91 Biennium**	**Actual For 1989-91 Biennium**	**Variance Favorable (Unfavor able)**
Revenues:						
Taxes	$ 12,737,756	$ 12,760,638	$ 22,882	$ 285,003	$ 274,303	$ (10,700)
Licenses, permits, and fees	100,280	103,622	3,342	32,057	34,632	2,575
Federal grants-in-aid	3,616,490	3,549,700	(66,790)	4,435	4,012	(423)
Charges for services	410,080	421,069	10,989	864	1,179	315
Miscellaneous revenue	176,815	238,416	61,601	263,350	269,177	5,827
Total Revenues	17,041,421	17,073,445	32,024	585,709	583,303	(2,406)
Expenditures:						
Current:						
General government	764,571	763,431	1,140	231,452	216,944	14,508
Human services	6,938,141	6,813,396	124,745	51,291	45,509	5,782
Natural resources and recreation	478,592	457,060	21,532	127,162	119,888	7,274
Transportation	58,671	56,339	2,332	19,403	17,671	1,732
Education	8,396,114	8,329,929	66,185	17,120	17,016	104
Capital outlays	35,435	9,221	26,214	175,898	24,920	150,978
Total Expenditures	16,671,524	16,429,376	242,148	622,326	441,948	180,378
Excess of Revenues Over (Under) Expenditures	369,897	644,069	274,172	(36,617)	141,355	177,972
Other Financing Sources (Uses):						
Operating transfers in	350,160	361,354	11,194	96,313	284,712	188,399
Operating transfers out	(702,807)	(977,630)	(274,823)	(95,659)	(104,332)	(8,673)
Total Other Financing Sources (Uses)	(352,647)	(616,276)	(263,629)	654	180,380	179,726
Excess of Revenues And Other Sources Over (Under) Expenditures And Other Uses	$ 17,250	$ 27,793	$ 10,543	$ (35,963)	$ 321,735	$ 357,698

Totals		
Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavorable)
$ 13,022,759	$ 13,034,941	$ 12,182
132,337	138,254	5,917
3,620,925	3,553,712	(67,213)
410,944	422,248	11,304
440,165	507,593	67,428
17,627,130	17,656,748	29,618
996,023	980,375	15,648
6,989,432	6,858,905	130,527
605,754	576,948	28,806
78,074	74,010	4,064
8,413,234	8,346,945	66,289
211,333	34,141	177,192
17,293,850	16,871,324	422,526
333,280	785,424	452,144
446,473	646,066	199,593
(798,466)	(1,081,962)	(283,496)
(351,993)	(435,896)	(83,903)
$ (18,713)	$ 349,528	$ 368,241

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources, other than major capital projects or expendable trust funds, that are legally restricted to expenditures for specified purposes. Washington's Special Revenue Funds are described below:

Motor Vehicle Fund revenues are generated from vehicle fuel taxes, vehicle licenses, and federal transportation agencies. This fund accounts for the following: (1) Highway activities of the Washington State Patrol; and (2) Maintenance of non-interstate highways and bridges, completion and preservation of the interstate system, and other transportation improvements.

Transportation Fund revenues are derived principally from motor vehicle operators. This fund accounts for activities relating to drivers' licensing, driver improvement, financial responsibility, maintenance of driving records, and other non-highway transportation improvements.

State Wildlife Fund revenues are generated primarily from hunting and non-commercial fishing licenses. This fund accounts for the protection, propagation, and conservation of wild animals, wild birds, game fish, and their habitats.

Common School Construction Fund revenues are obtained principally from the sale of timber and investment earnings. This fund provides financing to local school districts under the control of the State Board of Education for construction of common school facilities.

The Central Administrative and Regulatory Fund accounts for operating expenditures of certain administrative and regulatory agencies.

The Human Services Fund accounts for the following: (1) Funds provided to local governments for the construction or substantial remodeling of detention and correctional facilities, and (2) Defraying the cost of administering unemployment compensation.

The Natural Resources Fund primarily accounts for the planning, design, acquisition, construction, and improvement of public waste disposal and water supply facilities, and related management systems.

The Higher Education Fund primarily accounts for grants and contracts received for research and other educational purposes. This fund also accounts for dedicated revenue for state institutions of higher education.

Combining Balance Sheet
Special Revenue Funds
June 30, 1991
expressed in thousands

	Motor Vehicle	Trans-portation	State Wildlife	Common School Construct.	Central Admin & Regulatory
Assets					
Cash and pooled investments	$ 340,795	$ 64,897	$ 2,581	$ 37,801	$ 75,586
Investments	-	-	1,629	-	-
Taxes receivable (net of allowance)	3,675	-	-	-	978
Other receivables (net of allowance)	19,420	1,808	1,206	2,858	267
Due from other funds	29,907	3,336	4,049	26,891	21,249
Due from other governments	68,397	885	4,209	-	-
Inventories	14,957	173	178	-	-
Total Assets	$ 477,151	$ 71,099	$ 13,852	$ 67,550	$ 98,080
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	$ 62,636	$ 1,921	$ 857	$ 1,665	$ 8,257
Contracts and retainages payable	13,466	491	38	27,503	-
Accrued liabilities	11,583	907	1,584	-	2,454
Due to other funds	14,470	945	1,293	112	8,945
Due to other governments	6,718	1,681	-	-	-
Deferred revenues	20,523	-	1,043	-	-
Total Liabilities	129,396	5,945	4,815	29,280	19,656
Fund Balances:					
Reserved for:					
Encumbrances	88	-	105	38,270	-
Inventories	14,957	173	178	-	-
Other specific purposes	93	105	1,659	-	48
Unreserved:					
Designated for other specific purposes	-	-	-	-	-
Undesignated	332,617	64,876	7,095	-	78,376
Total Fund Balances	347,755	65,154	9,037	38,270	78,424
Total Liabilities and Fund Balances	$ 477,151	$ 71,099	$ 13,852	$ 67,550	$ 98,080

			Totals	
Human Services	Natural Resources	Higher Education	June 30, 1991	June 30, 1990
$ 15,038	$ 292,921	$ 183,654	$ 1,013,273	$ 915,810
-	1,909	2,578	6,116	5,164
-	3,831	-	8,484	8,790
148	7,088	29,745	62,540	141,307
6,510	32,725	48,454	173,121	110,402
4,691	8,625	40,008	126,815	70,188
-	4	4,828	20,140	19,650
$ 26,387	$ 347,103	$ 309,267	$ 1,410,489	$ 1,271,311
$ 1,328	$ 5,228	$ 16,657	$ 98,549	$ 30,668
32	17,666	231	59,427	53,413
3,528	1,464	26,626	48,146	46,888
4,639	19,792	32,183	82,379	46,950
4	5,975	65	14,443	26,638
8	3,175	48,059	72,808	146,363
9,539	53,300	123,821	375,752	350,920
-	122,386	-	160,849	234,497
-	4	4,828	20,140	19,650
23	8,765	3,756	14,449	12,938
-	-	87,845	87,845	67,402
16,825	162,648	89,017	751,454	585,904
16,848	293,803	185,446	1,034,737	920,391
$ 26,387	$ 347,103	$ 309,267	$ 1,410,489	$ 1,271,311

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Special Revenue Funds
For the Fiscal Year Ended June 30, 1991

(expressed in thousands)

	Motor Vehicle	Trans-portation	State Wildlife	Common School Construction	Central Admin & Regulatory
Revenues:					
Retail sales taxes	$ -	$ -	$ -	$ -	$ -
Excise taxes	62,934	38,933	-	-	-
Motor vehicle and fuel taxes	574,623	-	-	-	-
Other taxes	24	-	12	-	59,196
Licenses, permits, and fees	200,188	17,480	21,361	-	32,321
Federal grants-in-aid	438,237	3,074	10,120	865	-
Charges for services	720	18	-	-	14,092
Miscellaneous revenue	48,184	13,496	3,258	148,127	15,198
Total Revenues	1,324,910	73,001	34,751	148,992	120,807
Expenditures:					
Current:					
General government	172,390	439	22	-	70,184
Human services	-	-	-	-	42,298
Natural resources and recreation	891	-	31,114	-	3,816
Transportation	517,345	29,522	342	-	24,625
Education	-	-	-	463	6,646
Capital outlays	487,802	1,071	4,331	170,723	2,210
Debt service:					
Principal	3,154	127	188	-	264
Interest	1,445	7	47	-	1
Total Expenditures	1,183,027	31,166	36,044	171,186	150,044
Excess of Revenues Over (Under) Expenditures	141,883	41,835	(1,293)	(22,194)	(29,237)
Other Financing Sources (Uses):					
Bond sale proceeds	15,000	100	-	40,000	-
Operating transfers in	897	3,801	-	7,085	51,309
Operating transfers out	(158,472)	(1,920)	(2,263)	(6,798)	(16,864)
Capital lease acquisitions	5,554	-	727	-	126
Total Other Financing Sources (Uses)	(137,021)	1,981	(1,536)	40,287	34,571
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	4,862	43,816	(2,829)	18,093	5,334
Fund Balances:					
Fund balances as restated, July 1	341,512	21,338	11,866	20,177	73,090
Residual equity transfers in	1,381	-	-	-	-
Residual equity transfers out	-	-	-	-	-
Fund Balances, June 30	$ 347,755	$ 65,154	$ 9,037	$ 38,270	$ 78,424

Human Services	Natural Resources	Higher Education	Totals For The Year Ended	
			June 30, 1991	June 30, 1990
$ -	$ 2,654	$ -	$ 2,654	$ 893
-	1	-	101,868	56,916
-	6,983	-	581,606	487,994
-	85,802	-	145,034	131,479
8,861	29,836	-	310,047	278,954
65,761	3,021	348,734	869,812	771,431
722	354	148,097	164,003	142,728
11,906	49,585	152,197	441,951	449,525
87,250	178,236	649,028	2,616,975	2,319,920
-	249	-	243,284	211,723
88,344	5,915	-	136,557	109,923
166	225,422	-	261,409	168,844
23	184	-	572,041	459,146
-	-	555,958	563,067	503,655
1,096	19,530	35,982	722,745	560,228
183	31	2,003	5,950	6,340
79	2	121	1,702	1,456
89,891	251,333	594,064	2,506,755	2,021,315
(2,641)	(73,097)	54,964	110,220	298,605
-	75,622	-	130,722	10,000
1	17,025	234	80,352	231,302
(2,456)	(2,254)	(24,275)	(215,302)	(369,470)
237	18	617	7,279	2,896
(2,218)	90,411	(23,424)	3,051	(125,272)
(4,859)	17,314	31,540	113,271	173,333
22,011	276,489	153,908	920,391	746,892
-	-	-	1,381	210
(304)	-	(2)	(306)	(44)
$ 16,848	$ 293,803	$ 185,446	$ 1,034,737	$ 920,391

Combining Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual Special Revenue Funds For the Biennium Ended June 30, 1991

(expressed in thousands)

	Motor Vehicle			Highway Safety		
	Approved Budget 1989-91 Biennium	**Actual For 1989-91 Biennium**	**Variance Favorable (Unfavor able)**	**Approved Budget 1989-91 Biennium**	**Actual For 1989-91 Biennium**	**Variance Favorable (Unfavor able)**
Revenues:						
Taxes	$ 1,187,284	$ 1,174,153	$ (13,131)	$ 39,644	$ 38,947	$ (697)
Licenses, permits, and fees	377,385	377,433	48	33,689	33,346	(343)
Federal grants-in-aid	852,979	818,626	(34,353)	7,445	6,261	(1,184)
Charges for services	14,257	1,239	(13,018)		18	18
Miscellaneous revenue	79,517	102,808	23,291	20,817	24,823	4,006
Total Revenues	2,511,422	2,474,259	(37,163)	101,595	103,395	1,800
Expenditures:						
Current:						
General government	331,039	326,924	4,115	750	439	311
Human services	6,658	6,658	-	-	-	-
Natural resources and recreation	1,753	1,685	68	-	-	-
Transportation	685,841	607,201	78,640	60,647	57,545	3,102
Education	-	-	-	-	-	-
Capital outlays	1,277,769	1,178,188	99,581	3,400	100	3,300
Debt service	-	-	-	-	-	-
Total Expenditures	2,303,060	2,120,656	182,404	64,797	58,084	6,713
Excess of Revenues Over (Under) Expenditures	208,362	353,603	145,241	36,798	45,311	8,513
Other Financing Sources (Uses):						
Bond sale proceeds	162,000	15,000	(147,000)	3,400	100	(3,300)
Operating transfers in	245,858	238,600	(7,258)	6,460	7,121	661
Operating transfers out	(539,175)	(531,838)	7,337	(2,573)	(2,609)	(36)
Total Other Financing Sources (Uses)	(131,317)	(278,238)	(146,921)	7,287	4,612	(2,675)
Excess of Revenues And Other Sources Over (Under) Expenditures And Other Uses	$ 77,045	$ 75,365	$ (1,680)	$ 44,085	$ 49,923	$ 5,838

Continued

State Wildlife			Common School Construction			Central Administrative And Regulatory		
Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavor able)	Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavor able)	Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavor able)
$ 47	$ 32	$ (15)	$ -	$ -	$ -	$ 111,294	$ 109,344	$ (1,950)
43,792	42,790	(1,002)	-	-	-	57,767	62,609	4,842
17,095	17,764	669	450	1,337	887	1,213	-	(1,213)
18	74	56	-	-	-	27,215	26,879	(336)
8,159	6,432	(1,727)	257,265	310,286	53,021	24,507	33,358	8,851
69,111	67,092	(2,019)	257,715	311,623	53,908	221,996	232,190	10,194
57	57	-	-	-	-	142,159	131,902	10,257
-	-	-	-	-	-	62,576	54,926	7,650
65,152	61,066	4,086	-	-	-	8,695	5,674	3,021
657	586	71	-	-	-	32,669	31,493	1,176
-	-	-	-	-	-	13,507	12,986	521
12,102	7,244	4,858	480,811	332,279	148,532	19,611	1,093	18,518
-	-	-	-	-	-	-	-	-
77,968	68,953	9,015	480,811	332,279	148,532	279,217	238,074	41,143
(8,857)	(1,861)	6,996	(223,096)	(20,656)	202,440	(57,221)	(5,884)	51,337
-	-	-	40,000	40,000	-	-	-	-
-	-	-	-	15,049	15,049	65,099	64,858	(241)
(2,445)	(2,796)	(351)	(8,214)	(13,632)	(5,418)	(16,648)	(17,772)	(1,124)
(2,445)	(2,796)	(351)	31,786	41,417	9,631	48,451	47,086	(1,365)
$ (11,302)	$ (4,657)	$ 6,645	$ (191,310)	$ 20,761	$ 212,071	$ (8,770)	$ 41,202	$ 49,972

Combining Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual Special Revenue Funds For the Biennium Ended June 30, 1991

(expressed in thousands)

	Human Services			Natural Resources		
	Approved Budget 1989-91 Biennium	**Actual For 1989-91 Biennium**	**Variance Favorable (Unfavor able)**	**Approved Budget 1989-91 Biennium**	**Actual For 1989-91 Biennium**	**Variance Favorable (Unfavor able)**
Revenues:						
Taxes	$ -	$ -	$ -	$ 181,727	$ 185,968	$ 4,241
Licenses, permits, and fees	18,033	17,422	(611)	54,883	55,401	518
Federal grants-in-aid	147,910	128,996	(18,914)	7,986	4,923	(3,063)
Charges for services	1,748	976	(772)	711	678	(33)
Miscellaneous revenue	16,920	22,286	5,366	55,938	105,315	49,377
Total Revenues	184,611	169,680	(14,931)	301,245	352,285	51,040
Expenditures:						
Current:						
General government	25		25	979	297	682
Human services	182,923	172,765	10,158	3,081	3,017	64
Natural resources and recreation	390	333	57	209,877	165,797	44,080
Transportation	23	23	-	1,113	386	727
Education	-	-	-	-	-	-
Capital outlays	788	510	278	482,538	234,322	248,216
Debt service	-	-	-	-	-	-
Total Expenditures	184,149	173,631	10,518	697,588	403,819	293,769
Excess of Revenues Over (Under) Expenditures	462	(3,951)	(4,413)	(396,343)	(51,534)	344,809
Other Financing Sources (Uses):						
Bond sale proceeds	-	-	-	268,230	85,622	(182,608)
Operating transfers in	-	1	1	19,770	20,817	1,047
Operating transfers out	(913)	(2,671)	(1,758)	(20,585)	(6,614)	13,971
Total Other Financing Sources (Uses)	(913)	(2,670)	(1,757)	267,415	99,825	(167,590)
Excess of Revenues And Other Sources Over (Under) Expenditures And Other Uses	$ (451)	$ (6,621)	$ (6,170)	$ (128,928)	$ 48,291	$ 177,219

Concluded

Higher Education			Totals		
Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavor able)	Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavor able)
$ -	$ -	$ -	$ 1,519,996	$ 1,508,444	$ (11,552)
-	-	-	585,549	589,001	3,452
657,663	663,337	5,674	1,692,741	1,641,244	(51,497)
229,703	276,867	47,164	273,652	306,731	33,079
233,000	286,167	53,167	696,123	891,475	195,352
1,120,366	1,226,371	106,005	4,768,061	4,936,895	168,834
-	-	-	475,009	459,619	15,390
-	-	-	255,238	237,366	17,872
-	-	-	285,867	234,555	51,312
-	-	-	780,950	697,234	83,716
1,090,939	1,121,854	(30,915)	1,104,446	1,134,840	(30,394)
-	3,853	(3,853)	2,277,019	1,757,589	519,430
-	-	-	-	-	-
1,090,939	1,125,707	(34,768)	5,178,529	4,521,203	657,326
29,427	100,664	71,237	(410,468)	415,692	826,160
-	-	-	473,630	140,722	(332,908)
5,707	47,626	41,919	342,894	394,072	51,178
(39,567)	(89,259)	(49,692)	(630,120)	(667,191)	(37,071)
(33,860)	(41,633)	(7,773)	186,404	(132,397)	(318,801)
$ (4,433)	$ 59,031	$ 63,464	$ (224,064)	$ 283,295	$ 507,359

Debt Service Funds

Debt Service Funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. A brief description of each Debt Service Fund follows:

The General Obligation Bond Fund is used for the accumulation of resources for, and the payment of, general obligation long-term debt principal and interest.

Transportation Bond Fund revenue is derived principally from the motor vehicle fuel tax. This fund accounts for the accumulation of resources and payment of highway and ferry bond principal and interest.

Combining Balance Sheet Debt Service Funds June 30, 1991

expressed in thousands

	General Obligation Bonds	Transportation Bonds	Totals	
			June 30, 1991	June 30, 1990
Assets				
Cash and pooled investments	$ 54,903	$ 46,153	$ 101,056	$ 99,346
Other receivables (net of allowance)	9,326	-	9,326	193
Due from other funds	7,916	2,421	10,337	10,807
Total Assets	$ 72,145	$ 48,574	$ 120,719	$ 110,346
Liabilities and Fund Balances				
Liabilities:				
Contracts and retainages payable	$ 1,261	$ -	$ 1,261	$ 1,133
Accrued liabilities	873	22	895	81
Due to other funds	2	-	2	14
Total Liabilities	2,136	22	2,158	1,228
Fund Balances:				
Unreserved:				
Designated for debt service	70,009	48,552	118,561	109,118
Total Fund Balances	70,009	48,552	118,561	109,118
Total Liabilities and Fund Balances	$ 72,145	$ 48,574	$ 120,719	$ 110,346

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance Debt Service Funds For the Fiscal Year Ended June 30, 1991

(expressed in thousands)

	General Obligation Bond	Transportation Bond	Totals For The Year Ended	
			June 30, 1991	June 30, 1990
Revenues:				
Federal grants-in-aid	$ 164	$ -	$ 164	$ 164
Miscellaneous revenue	11,937	2,420	14,357	13,985
Total Revenues	12,101	2,420	14,521	14,149
Expenditures:				
Debt service:				
Principal	109,800	45,720	155,520	147,583
Interest	177,464	59,866	237,330	229,708
Total Expenditures	287,264	105,586	392,850	377,291
Excess of Revenues Over (Under) Expenditures	(275,163)	(103,166)	(378,329)	(363,142)
Other Financing Sources (Uses):				
Proceeds of refunding bonds	-	-	-	127,277
Payment to refunded bond escrow agent	-	-	-	(127,130)
Operating transfers in	308,716	107,080	415,796	405,139
Operating transfers out	(28,024)	-	(28,024)	(20,939)
Total Other Financing Sources (Uses)	280,692	107,080	387,772	384,347
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	5,529	3,914	9,443	21,205
Fund Balances:				
Fund balances as restated, July 1	64,480	44,638	109,118	87,992
Residual equity transfers out	-	-	-	(79)
Fund Balances, June 30	$ 70,009	$ 48,552	$ 118,561	$ 109,118

Combining Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual Debt Service Funds For the Biennium Ended June 30, 1991

(expressed in thousands)

	General Obligation Bond			Transportation Bond		
	Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavor able)	Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavor able)
Revenues:						
Federal grants-in-aid	$ -	$ 328	$ 328	$ -	$ -	$ -
Miscellaneous revenue	53,699	23,422	(30,277)	5,009	4,920	(89)
Total Revenues	53,699	23,750	(29,949)	5,009	4,920	(89)
Expenditures:						
Debt service	597,119	560,234	36,885	222,021	209,907	12,114
Total Expenditures	597,119	560,234	36,885	222,021	209,907	12,114
Excess of Revenues Over (Under) Expenditures	(543,420)	(536,484)	6,936	(217,012)	(204,987)	12,025
Other Financing Sources (Uses):						
Proceeds of refunding bonds	-	104,035	104,035	-	23,242	23,242
Payment to refunded bond escrow agent	-	(103,915)	(103,915)	-	(23,215)	(23,215)
Operating transfers in	560,565	617,282	56,717	202,491	203,439	948
Operating transfers out	(69,578)	(48,749)	20,829	-	-	-
Total Other Financing Sources (Uses)	490,987	568,653	77,666	202,491	203,466	975
Excess of Revenues And Other Sources Over (Under) Expenditures And Other Uses	$ (52,433)	$ 32,169	$ 84,602	$ (14,521)	$ (1,521)	$ 13,000

	Totals	
Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavorable)
$ -	$ 328	$ 328
58,708	28,342	(30,366)
58,708	28,670	(30,038)
819,140	770,141	48,999
819,140	770,141	48,999
(760,432)	(741,471)	18,961
-	127,277	127,277
-	(127,130)	(127,130)
763,056	820,721	57,665
(69,578)	(48,749)	20,829
693,478	772,119	78,641
$ (66,954)	$ 30,648	$ 97,602

Capital Projects Funds

Capital Projects Funds account for financial resources to be used for acquisition, construction, or improvement of major capital facilities (other than those financed by Proprietary Funds and similar trust funds). A brief description of Washington's Capital Projects Funds follows:

The State Facilities Fund accounts for the construction and remodeling of public buildings.

The Higher Education Facilities Fund accounts for the acquisition, construction, and remodeling of higher education facilities.

Combining Balance Sheet
Capital Projects Funds
June 30, 1991
expressed in thousands

	State Facilities	Higher Education Facilities	Totals	
			June 30, 1991	**June 30, 1990**
Assets				
Cash and pooled investments	$ 4,812	$ 42,861	$ 47,673	$ 33,473
Investments	-	84	84	108
Other receivables (net of allowance)	127	42	169	9,076
Due from other funds	147,371	1,115	148,486	7,861
Due from other governments	-	-	-	117
Total Assets	$ 152,310	$ 44,102	$ 196,412	$ 50,635
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	$ 13,167	$ 2,120	$ 15,287	$ 6,094
Contracts and retainages payable	10,074	2,634	12,708	9,056
Accrued liabilities	318	2	320	560
Due to other funds	11,518	17,919	29,437	35,768
Due to other governments	116	-	116	83
Deferred revenues	228	-	228	8,695
Total Liabilities	35,421	22,675	58,096	60,256
Fund Balances:				
Reserved for:				
Encumbrances	101,926	5,038	106,964	78,520
Other specific purposes	25	84	109	133
Unreserved:				
Designated for other specific purposes	14,938	16,305	31,243	183
Undesignated	-	-	-	(88,457)
Total Fund Balances	116,889	21,427	138,316	(9,621)
Total Liabilities and Fund Balances	$ 152,310	$ 44,102	$ 196,412	$ 50,635

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Capital Projects Funds
For the Fiscal Year Ended June 30, 1991
(expressed in thousands)

	State Facilities	Higher Education Facilities	Totals For The Year Ended June 30, 1991	Totals For The Year Ended June 30, 1990
Revenues:				
Charges for services	$ -	$ 15,337	$ 15,337	$ 15,290
Miscellaneous revenue	12,157	1,681	13,838	13,778
Total Revenues	12,157	17,018	29,175	29,068
Expenditures:				
Current:				
General government	7,046	-	7,046	4,091
Human services	15,873	-	15,873	19,027
Natural resources and recreation	17,324	-	17,324	8,331
Transportation	842	-	842	179
Education	13,737	13,733	27,470	17,100
Capital outlays	173,279	34,306	207,585	196,949
Debt service:				
Principal	2	217	219	3,529
Interest	9,925	542	10,467	595
Total Expenditures	238,028	48,798	286,826	249,801
Excess of Revenues Over (Under) Expenditures	(225,871)	(31,780)	(257,651)	(220,733)
Other Financing Sources (Uses):				
Bond sale proceeds	377,078	372	377,450	161,114
Operating transfers in	4,348	66,256	70,604	57,794
Operating transfers out	(8,577)	(31,086)	(39,663)	(32,140)
Capital lease acquisitions	280	-	280	-
Total Other Financing Sources (Uses)	373,129	35,542	408,671	186,768
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	147,258	3,762	151,020	(33,965)
Fund Balances:				
Fund balances as restated, July 1	(30,750)	17,742	(13,008)	24,344
Residual equity transfers in	381	-	381	-
Residual equity transfers out	-	(77)	(77)	-
Fund Balances, June 30	$ 116,889	$ 21,427	$ 138,316	$ (9,621)

Combining Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual Capital Projects Funds For the Biennium Ended June 30, 1991

(expressed in thousands)

	State Facilities			Higher Education Facilities		
	Approved Budget 1989-91 Biennium	**Actual For 1989-91 Biennium**	**Variance Favorable (Unfavor able)**	**Approved Budget 1989-91 Biennium**	**Actual For 1989-91 Biennium**	**Variance Favorable (Unfavor able)**
Revenues:						
Charges for services	$ -	$ -	$ -	$ 29,704	$ 30,627	$ 923
Miscellaneous revenue	21,124	23,128	2,004	22,142	4,488	(17,654)
Total Revenues	21,124	23,128	2,004	51,846	35,115	(16,731)
Expenditures:						
Current:						
General government	3,713	13,497	(9,784)	78	40	38
Transportation	1,000	767	233	-	-	-
Capital outlays	872,028	419,017	453,011	146,676	103,134	43,542
Debt service	-	-	-	-	-	-
Total Expenditures	876,741	433,281	443,460	146,754	103,174	43,580
Excess of Revenues Over (Under) Expenditures	(855,617)	(410,153)	445,464	(94,908)	(68,059)	26,849
Other Financing Sources (Uses):						
Bond sale proceeds	527,833	533,025	5,192	179,650	5,539	(174,111)
Operating transfers in	47,685	12,932	(34,753)	64,676	111,201	46,525
Operating transfers out	(4,001)	(9,915)	(5,914)	(63,274)	(57,335)	5,939
Total Other Financing Sources (Uses)	571,517	536,042	(35,475)	181,052	59,405	(121,647)
Excess of Revenues And Other Sources Over (Under) Expenditures And Other Uses	$ (284,100)	$ 125,889	$ 409,989	$ 86,144	$ (8,654)	$ (94,798)

	Totals	
Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavorable)
$ 29,704	$ 30,627	$ 923
43,266	27,616	(15,650)
72,970	58,243	(14,727)
3,790	13,537	(9,747)
1,000	767	233
1,018,704	522,151	496,553
-	-	-
1,023,494	536,455	487,039
(950,524)	(478,212)	472,312
707,483	538,564	(168,919)
112,361	124,133	11,772
(67,275)	(67,250)	25
752,569	595,447	(157,122)
$ (197,955)	$ 117,235	$ 315,190

Enterprise Funds

Enterprise Funds account for the following: (1) State operations that are financed and operated in a manner similar to private business enterprises where the state's intent is that the cost of providing goods and/or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) State operations where a periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. A brief description of each Enterprise Fund follows:

The Liquor Fund is used to account for the operation of state liquor stores and warehouses, administrative costs, and distribution of net proceeds.

The Workers' Compensation Fund is used to account for the workers' compensation program which provides medical, time-loss, and disability benefit payments to qualifying individuals sustaining work-related injuries.

The Convention and Trade Fund is used to account for the acquisition, design, construction, promotion, and operation of the State Convention and Trade Center.

The Lottery Fund is used to account for lottery ticket revenues, administrative and operating expenses of the Lottery Commission, and the distribution of revenue to the General Fund.

The Institutional Fund accounts for the enterprise activities (industries) carried out through vocational/education programs at the correctional institutions.

The State Ferry and Toll Fund is used to account for all revenue and payment of all operating costs of the state ferry system, to allocate financial resources to certain accounts required to be maintained by bond resolution or statute, and to account for the revenues, maintenance, and operations of the Spokane River Toll Bridge.

The Student Services Fund is used by colleges and universities principally for bookstore, cafeteria, parking, student housing, and food service business enterprise activities.

The Other Activities Fund accounts for the following: (1) The operation of computer systems for legislative information, and (2) The production and sale of statute law publications and official reports.

Combining Balance Sheet
Enterprise Funds
June 30, 1991

expressed in thousands

	Liquor	Workers' Compensation	Convention and Trade	Lottery	Institutional
Assets					
Current Assets:					
Cash and pooled investments	$ 7,135	$ 16,490	$ (9,530)	$ 15,720	$ 1,524
Taxes receivable (net of allowance)	2,569	-	-	-	-
Other receivables (net of allowance)	551	358,263	67	3,114	74
Due from other funds	1,072	59,191	7,114	2,920	3,474
Due from other governments	203	860	-	-	131
Inventories	21,366	142	-	585	2,861
Prepaid expenses	1	-	-	374	-
Total Current Assets	32,897	434,946	(2,349)	22,713	8,064
Other Assets:					
Investments, noncurrent	-	4,278,896	-	214,176	22
Other nonfixed assets	-	-	-	-	-
Total Other Assets	-	4,278,896	-	214,176	22
Fixed Assets:					
Land	177	3,165	15,138	-	-
Buildings	1,858	-	191,632	-	-
Other improvements and miscellaneous	134	227	184	273	649
Furnishings and equipment	11,382	28,959	5,431	3,430	3,028
Accumulated depreciation	(7,999)	(11,233)	(11,565)	(1,985)	(1,309)
Construction in progress	-	24,785	-	-	-
Total Fixed Assets	5,552	45,903	200,820	1,718	2,368
Total Assets	$ 38,449	$ 4,759,745	$ 198,471	$ 238,607	$ 10,454
Liabilities and Fund Equity					
Current Liabilities:					
Accounts payable	$ 13,452	$ 11,931	$ 1,151	$ 1,098	$ 2,512
Contracts and retainages payable	2	30,759	1,686	68	169
Accrued liabilities	4,527	47,082	3,475	29,124	517
Matured bonds payable	-	1,190	2,345	-	-
Due to other funds	7,150	15,105	18,010	10,585	321
Due to other governments	-	-	-	1	6
Deferred revenues	283	-	-	-	1
Claims and judgements payable	-	699,000	-	-	-
Total Current Liabilities	25,414	805,067	26,667	40,876	3,526
Long-Term Liabilities:					
Claims and judgements payable - Long-Term	-	6,876,892	-	-	-
Bonds payable	-	63,080	149,116	-	-
Other long-term obligations	-	8	-	193,327	578
Total Long-Term Liabilities	-	6,939,980	149,116	193,327	578
Total Liabilities	25,414	7,745,047	175,783	234,203	4,104
Fund Equity:					
Unrealized gain on investments	-	56,284	-	-	-
Contributed capital	-	23	2	-	2,969
Retained earnings:					
Unreserved	13,035	(3,041,609)	22,686	4,404	3,381
Total Fund Equity	13,035	(2,985,302)	22,688	4,404	6,350
Total Liabilities and Fund Equity	$ 38,449	$ 4,759,745	$ 198,471	$ 238,607	$ 10,454

State Ferry and Toll	Student Services	Other Activities	Totals	
			June 30, 1991	June 30, 1990
$ 12,649	$ 102,688	$ 32,943	$ 179,619	$ 142,985
-	-	-	2,569	2,655
1,851	31,343	7	395,270	321,197
1,336	8,856	3,261	87,224	15,112
-	16,848	1	18,043	15,643
4,538	15,037	62	44,591	58,683
53	2,293	3	2,724	2,225
20,427	177,065	36,277	730,040	558,500
-	36,748	-	4,529,842	3,993,159
11	242	-	253	266
11	36,990	-	4,530,095	3,993,425
9,378	1,028	-	28,886	29,396
96,658	449,216	2	739,366	688,560
122,306	12,605	903	137,281	140,596
309,411	89,215	9,676	460,532	417,588
(117,542)	(199,109)	(3,196)	(353,938)	(324,923)
-	7,908	-	32,693	18,536
420,211	360,863	7,385	1,044,820	969,753
$ 440,649	$ 574,918	$ 43,662	$ 6,304,955	$ 5,521,678
$ 1,463	$ 15,438	$ 346	$ 47,391	$ 68,407
2,294	3,464	1,221	39,663	36,011
8,290	16,912	336	110,263	64,573
1,165	7,049	-	11,749	11,628
1,181	8,875	48	61,275	37,958
-	1,410	4	1,421	3,955
133	13,383	-	13,800	16,263
-	-	-	699,000	511,000
14,526	66,531	1,955	984,562	749,795
-	-	-	6,876,892	3,202,788
14,175	162,364	-	388,735	302,514
-	6,657	4,296	204,866	176,980
14,175	169,021	4,296	7,470,493	3,682,282
28,701	235,552	6,251	8,455,055	4,432,077
-	-	-	56,284	45,656
547,775	9,017	581	560,367	519,352
(135,827)	330,349	36,830	(2,766,751)	524,593
411,948	339,366	37,411	(2,150,100)	1,089,601
$ 440,649	$ 574,918	$ 43,662	$ 6,304,955	$ 5,521,678

Combining Statement of Revenues, Expenses, and Changes in Fund Equity
Enterprise Funds
For the Fiscal Year Ended June 30, 1991

(expressed in thousands)

	Liquor	Workers' Compensation	Convention and Trade	Lottery	Institutional
Operating Revenues:					
Sales	$ 248,476	$ -	$ -	$ -	$ 19,144
Less: Cost of goods sold	173,367	-	-	-	13,896
Gross profit (loss)	75,109	-	-	-	5,248
Charges for services	-	934	3,090	-	-
Insurance premiums	-	920,289	-	-	-
Lottery ticket proceeds	-	-	-	258,769	-
Miscellaneous revenue	29,702	6,451	13,361	21	2,476
Total Operating Revenues	104,811	927,674	16,451	258,790	7,724
Operating Expenses:					
Salaries and wages	25,914	58,943	3,065	3,906	3,397
Employee benefits	7,673	14,291	1,052	1,112	919
Personal services	42	7,855	1,933	14,594	-
Goods and services	12,769	34,748	2,170	15,761	585
Travel	298	3,061	41	428	91
Insurance benefit payments	-	1,255,349	-	-	-
Lottery prize payments	-	-	-	124,246	-
Depreciation and amortization	1,172	3,374	4,201	17,665	251
Miscellaneous expenses	304	15,054	973	118	3
Total Operating Expenses	48,172	1,392,675	13,435	177,830	5,246
Operating Income (Loss)	56,639	(465,001)	3,016	80,960	2,478
Nonoperating Revenues (Expenses):					
Other revenue (expenses)	(49)	(321)	(65)	(237)	24
Interest income	1,031	352,963	400	18,100	54
Interest expense	-	(1,375)	(11,418)	(18)	(35)
Liquor profits distributed to local governments	(30,154)	-	-	-	-
Total Nonoperating Revenues (Expenses)	(29,172)	351,267	(11,083)	17,845	43
Income (Loss) Before Operating Transfers	27,467	(113,734)	(8,067)	98,805	2,521
Operating Transfers:					
Operating transfers in	-	42,648	-	-	17
Operating transfers out	(40,100)	(49,791)	-	(99,064)	(301)
Net Operating Transfers In (Out)	(40,100)	(7,143)	-	(99,064)	(284)
Net Income (Loss) Before Extraordinary Item	(12,633)	(120,877)	(8,067)	(259)	2,237
Extraordinary Items:					
Bond refunding gain (loss)	-	-	-	-	-
Net Income (Loss)	(12,633)	(120,877)	(8,067)	(259)	2,237
Fund Equity:					
Fund equity as restated, July 1	25,668	(2,875,054)	30,753	4,663	4,113
Residual equity transfers out	-	-	-	-	-
Unrealized gain (loss) on investments	-	10,628	-	-	-
Contributions of capital	-	1	2	-	-
Return of contributed capital	-	-	-	-	-
Fund Equity, June 30	$ 13,035	$ (2,985,302)	$ 22,688	$ 4,404	$ 6,350

State Ferry and Toll	Student Services	Other Activities	Totals for the Year Ended June 30, 1991	June 30, 1990
$ -	$ 65,395	$ 324	$ 333,339	$ 307,323
-	41,786	61	229,110	211,673
-	23,609	263	104,229	95,650
64,169	297,712	1,167	367,072	335,306
-	-	-	920,289	716,085
-	-	-	258,769	246,334
7,507	51,781	17,117	128,416	108,493
71,676	373,102	18,547	1,778,775	1,501,868
47,396	144,838	2,054	289,513	269,624
15,611	31,840	483	72,981	61,591
1,185	3,322	74	29,005	24,699
27,292	134,990	2,331	230,646	204,409
726	6,645	67	11,357	9,610
-	-	-	1,255,349	843,261
-	-	-	124,246	116,750
12,283	18,857	1,607	59,410	35,645
6,236	9,519	213	32,420	13,744
110,729	350,011	6,829	2,104,927	1,579,333
(39,053)	23,091	11,718	(326,152)	(77,465)
939	(1,019)	(208)	(936)	(830)
783	9,207	1,852	384,390	332,529
(598)	(9,479)	(434)	(23,357)	(21,737)
-	-	-	(30,154)	(24,550)
1,124	(1,291)	1,210	329,943	285,412
(37,929)	21,800	12,928	3,791	207,947
20,505	2,447	4,311	69,928	273,826
(55)	(103)	(53)	(189,467)	(369,576)
20,450	2,344	4,258	(119,539)	(95,750)
(17,479)	24,144	17,186	(115,748)	112,197
-	5,471	-	5,471	(930)
(17,479)	29,615	17,186	(110,277)	111,267
387,984	309,744	20,225	(2,091,904)	950,491
(1,052)	-	-	(1,052)	(126)
-	-	-	10,628	(52,012)
44,313	7	-	44,323	79,986
(1,818)	-	-	(1,818)	(5)
$ 411,948	$ 339,366	$ 37,411	$ (2,150,100)	$ 1,089,601

Combining Statement of Cash Flows
All Enterprise Fund Types
For the Fiscal Year Ended June 30, 1991

(expressed in thousands)

	Liquor	Workers' Compensation	Convention And Trade	Lottery	Institutional
Cash Flows From Operating Activities:					
Operating Income (Loss)	$ 56,639	$ (465,001)	$ 3,016	$ 80,960	$ 2,478
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operations:					
Depreciation	1,172	3,374	4,201	428	251
Amortization of premiums/discounts on investments	-	-	-	17,237	-
Change In Assets: Decrease (Increase)					
Receivables (net of allowance)	-	(39,602)	937	90	7
Due from other funds	(69)	(48,189)	(6,347)	(2,042)	(1,996)
Due from other governments	(28)	(156)	-	-	87
Inventories	14,406	25	-	(240)	552
Prepaid expenses	-	-	58	59	2
Other nonfixed assets	-		-	-	-
Change In Liabilities: Increase (Decrease)					
Accounts payable	(359)	(20,473)	(612)	(546)	(838)
Contracts and retainages payable	-	712	1,438	5	85
Accrued liabilities	1,823	38,689	(591)	5,442	105
Due to other funds	(394)	8,679	6,009	2,957	178
Due to other governments	-	(26)	-	1	5
Deferred revenues	(24)	-	-	-	(9)
Claims and judgements payable	-	537,104	-	-	-
Other long-term obligations	-	8	569	25,709	275
Net Cash or Cash Equivalents Provided By (Used In) Operating Activities	73,166	15,144	8,678	130,060	1,182
Cash Flows From Noncapital Financing Activities:					
Liquor profits distributed to local government	(30,154)	-	-	-	-
Operating transfers in	-	42,648	-	-	17
Operating transfers out	(40,100)	(49,791)	-	(99,064)	(301)
Contributions of capital	-	-	2	-	-
Return of contributed capital	-	-	-	-	-
Fund equity transfers in (out)	-	-	-	-	-
Other revenue (expenses)	(49)	(321)	(65)	(237)	24
Net Cash or Cash Equivalents Provided By (Used In) Noncapital Financing Activities	(70,303)	(7,464)	(63)	(99,301)	(260)
Cash Flows From Capital & Related Financing Activities:					
Payments for interest	-	(1,375)	(11,418)	(18)	(35)
Acquisitions of fixed assets	(2,769)	(30,514)	(22,397)	(351)	(758)
Proceeds from sale of fixed assets	113	838	599	-	32
Refunding bond proceeds	-	-	-	-	-
Payments to escrow agents	-	-	-	-	-
Retirement of long-term bonds payable	-	-	(2,775)	-	-
Proceeds from sale of long-term bonds	-	64,270	21,344	-	-
Net Cash or Cash Equivalents Provided By (Used In) Capital and Related Financing Activities	(2,656)	33,219	(14,647)	(369)	(761)
Cash Flows From Investing Activities:					
Receipt of interest	1,031	352,963	400	18,100	54
Proceeds from sale of investment securities	-	4,430,300	-	19,934	-
Purchases of investment securities	-	(4,809,253)	-	(66,554)	(22)
Net Cash Provided By (Used In) Investing Activities	1,031	(25,990)	400	(28,520)	32
Net Increase (Decrease) In Cash And Pooled Investments	1,238	14,909	(5,632)	1,870	193
Cash And Pooled Investments At July 1, 1990	5,897	1,581	(3,898)	13,850	1,331
Cash And Pooled Investments At June 30, 1991	$ 7,135	$ 16,490	$ (9,530)	$ 15,720	$ 1,524
Noncash Investing, Capital, and Finanicing Activities:					
Acquistion of capital assets with capital leases	$ -	$ 12	$ -	$ -	$ 493
Capital lease liabilities incurred in acquiring capital assets	-	(12)	-	-	(493)
Contributions of capital assets from the Motor Vehicle Fund	-	-	-	-	
Bond payment contributions from Motor Vehicle Funds	-	-	-	-	-
Recongition of income through the amortization of discounts on US Government zero coupon bonds and interest expense through an increase in other long-term obligations	-	-	-	17,237	-
Bond retired and bridge donated to the City of Spokane	-	-	-	(17,237)	-
Ferry terminal written off due to obsolescence	-	-	-	-	-

State Ferry And Toll	Student Services	Other Activities	Totals For The Year Ended June 30, 1991	Totals For The Year Ended June 30, 1990
$ (39,053)	$ 23,091	$ 11,718	$ (326,152)	$ (77,465)
12,281	18,850	1,607	42,164	35,645
2	7	-	17,246	3,131
543	(1,711)	22	(39,714)	(45,706)
(883)	(5,834)	(1,062)	(66,422)	13,508
-	(2,306)	3	(2,400)	372
(129)	(580)	58	14,092	(3,111)
14	(632)	-	(499)	244
3	10	-	13	-
(256)	1,748	320	(21,016)	28,958
1,279	964	(831)	3,652	4,332
108	134	(135)	45,575	8,226
(995)	5,938	(7)	22,365	(51,339)
(1)	(2,517)	4	(2,534)	836
117	(2,258)	(289)	(2,463)	3,436
-	-	-	537,104	280,701
-	(1,643)	4,295	29,213	18,217
(26,970)	33,261	15,703	250,224	219,985
-	-	-	(30,154)	(24,550)
20,505	2,447	4,311	69,928	273,826
(55)	(103)	(53)	(189,467)	(369,576)
44,314	7	-	44,323	79,986
(1,818)	-	-	(1,818)	(5)
(1,052)	-	-	(1,052)	(126)
939	(1,019)	(208)	(936)	(830)
62,833	1,332	4,050	(109,176)	(41,275)
(598)	(9,479)	(434)	(23,357)	(21,737)
(38,036)	(24,475)	(6,552)	(125,852)	(127,375)
2,142	3,277	1,609	8,610	63,287
-	26,371	-	26,371	(930)
-	(20,900)	-	(20,900)	-
(1,200)	(6,938)	-	(10,913)	(14,573)
-	10,314	-	95,928	1,950
(37,692)	(21,830)	(5,377)	(50,113)	(99,378)
783	9,207	1,852	384,390	332,529
-	77,373	170	4,527,777	4,441,098
-	(91,735)	-	(4,967,564)	(4,874,508)
783	(5,155)	2,022	(55,397)	(100,881)
(1,046)	7,608	16,398	35,538	(21,549)
13,695	95,080	16,545	144,081	164,534
$ 12,649	$ 102,688	$ 32,943	$ 179,619	$ 142,985
$ -	$ -	$ 663	$ 1,168	$ -
-	-	(632)	(1,137)	-
44,314	-	-	44,314	-
1,799	-	-	1,799	-
-	-	-	17,237	-
-	-	-	(17,237)	-
(1,818)	-	-	(1,818)	-
(3,306)	-	-	(3,306)	-

Schedule of Revenues and Expenses Budget and Actual Enterprise Funds For the Biennium Ended June 30, 1991

(expressed in thousands)

	Liquor			Workers' Compensation		
	Approved Budget 1989-91 Biennium	**Actual For 1989-91 Biennium**	**Variance Favorable (Unfavorable)**	**Approved Budget 1989-91 Biennium**	**Actual For 1989-91 Biennium**	**Variance Favorable (Unfavorable)**
Operating Revenues:						
Sales	$ 450,108	$ 480,799	$ 30,691	$ -	$ -	$ -
Charges for services	-	-	-	41	1,216	1,175
Insurance premiums	-	-	-	1,577,363	1,761,576	184,213
Lottery ticket proceeds	-	-	-	-	-	-
Miscellaneous revenues	59,666	60,438	772	10,178	12,517	2,339
Total Operating Revenues	509,774	541,237	31,463	1,587,582	1,775,309	187,727
Expenses:						
Allotted expenses	150,466	150,433	33	316,370	268,395	47,975
Nonallotted expenses (adjustments)	326,172	334,611	(8,439)	1,084,752	2,196,975	(1,112,223)
Total Expenses	476,638	485,044	(8,406)	1,401,122	2,465,370	(1,064,248)
Net Operating Revenues Over (Under) Expenses	33,136	56,193	23,057	186,460	(690,061)	(876,521)
Nonoperating Tevenues:						
Bond Sale Proceeds	-	-	-	-	-	-
Other revenue (expense)	-	(215)	(215)	-	(466)	(466)
Interest income	1,833	2,015	182	2,679	680,513	677,834
Bond refunding gain (loss)	-	-	-	-		-
Total Nonoperating Revenues	1,833	1,800	(33)	2,679	680,047	677,368
Income (Loss) Before Operating Transfers	34,969	57,993	23,024	189,139	(10,014)	(199,153)
Operating Transfers:						
Operating transfers in		109			159,299	
Operating transfers out		(72,540)			(168,645)	
Net Operating Transfers In (Out)	(68,112)	(72,431)	(4,319)	(9,082)	(9,346)	(264)
Net Income (Loss)	$ (33,143)	$ (14,438)	$ 18,705	$ 180,057	$ (19,360)	$ (199,417)

Continued

Convention and Trade			Lottery			Institutional		
Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavorable)	Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavorable)	Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavorable)
$ -	$ -	$ -	$ -	$ -	$ -	$ 29,510	$ 35,831	$ 6,321
7,082	5,888	(1,194)	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	506,334	505,102	(1,232)	-	-	-
25,248	25,002	(246)	-	37	37	-	3,477	3,477
32,330	30,890	(1,440)	506,334	505,139	(1,195)	29,510	39,308	9,798
86,068	71,461	14,607	327,340	312,652	14,688	-	-	-
-	12,324	(12,324)	-	17,384	(17,384)	28,200	36,587	(8,387)
86,068	83,785	2,283	327,340	330,036	(2,696)	28,200	36,587	(8,387)
(53,738)	(52,895)	843	178,994	175,103	(3,891)	1,310	2,721	1,411
37,000	36,366	(634)	-	-	-	-	-	-
-	(576)	(576)	-	(275)	(275)	-	(1,327)	(1,327)
1,938	529	(1,409)	398	18,974	18,576	-	124	124
-	(930)	(930)	-	-	-		-	-
38,938	35,389	(3,549)	398	18,699	18,301	-	(1,203)	(1,203)
(14,800)	(17,506)	(2,706)	179,392	193,802	14,410	1,310	1,518	208
	-			54,998			761	
	-			(247,332)			(1,318)	
(19)	-	19	(227,787)	(192,334)	35,453	-	(557)	(557)
$ (14,819)	$ (17,506)	$ (2,687)	$ (48,395)	$ 1,468	$ 49,863	$ 1,310	$ 961	$ (349)

Schedule of Revenues and Expenses Budget and Actual Enterprise Funds For the Biennium Ended June 30, 1991

(expressed in thousands)

	State Ferry and Toll			Student Services			
	Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavorable)	Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavorable)	
Operating Revenues:							
Sales	$ -	$ -	$ -	$ 28,288	$ 119,731	$ 91,443	$
Charges for services	124,790	127,347	2,557	447,716	565,692	117,976	
Insurance premiums	-	-	-	-	-	-	
Lottery ticket proceeds	-	-	-	-	-	-	
Miscellaneous revenues	6,188	7,576	1,388	18,152	96,449	78,297	
Total Operating Revenues	130,978	134,923	3,945	494,156	781,872	287,716	
Expenses:							
Allotted expenses	183,206	177,054	6,152	298,605	309,222	(10,617)	
Nonallotted expenses (adjustments)	24,570	28,770	(4,200)	190,957	448,555	(257,598)	
Total Expenses	207,776	205,824	1,952	489,562	757,777	(268,215)	
Net Operating Revenues	(76,798)	(70,901)	5,897	4,594	24,095	19,501	
Nonoperating Tevenues:							
Bond Sale Proceeds	-	-	-	-	-	-	
Other revenue (expense)	1,500	1,959	459	-	(783)	(783)	
Interest income	700	1,687	987	3,000	18,113	15,113	
Bond refunding gain (loss)	-	-	-	-	5,471	5,471	
Total Nonoperating Revenues	2,200	3,646	1,446	3,000	22,801	19,801	
Operating Transfers	(74,598)	(67,255)	7,343	7,594	46,896	39,302	
Operating Transfers:							
Operating transfers in		245,454			49,867		
Operating transfers out		(204,804)			(48,166)		
Net Operating Transfers In (Out)	50,000	40,650	(9,350)	-	1,701	1,701	
Net Income (Loss)	$ (24,598)	$ (26,605)	$ (2,007)	$ 7,594	$ 48,597	$ 41,003	$

Concluded

Other Activities			Totals		
Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavorable)	Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavorable)
$ 171	$ 4,300	$ 4,129	$ 508,077	$ 640,661	$ 132,584
14,442	2,235	(12,207)	594,071	702,378	108,307
-	-	-	1,577,363	1,761,576	184,213
-	-	-	506,334	505,102	(1,232)
31,280	32,404	1,124	150,712	237,900	87,188
45,893	38,939	(6,954)	3,336,557	3,847,617	511,060
15,779	6,817	8,962	1,377,834	1,296,034	81,800
-	10,070	(10,070)	1,654,651	3,085,276	(1,430,625)
15,779	16,887	(1,108)	3,032,485	4,381,310	(1,348,825)
30,114	22,052	(8,062)	304,072	(533,693)	(837,765)
-	-	-	37,000	36,366	(634)
-	(84)	(84)	1,500	(1,767)	(3,267)
91	2,649	2,558	10,639	724,604	713,965
-	-	-	-	4,541	4,541
91	2,565	2,474	49,139	763,744	714,605
30,205	24,617	(5,588)	353,211	230,051	(123,160)
	5,680			516,168	
	(151)			(742,956)	
5,256	5,529	273	(249,744)	(226,788)	22,956
$ 35,461	$ 30,146	$ (5,315)	$ 103,467	$ 3,263	$ (100,204)

Internal Service Funds

Internal Service Funds account for state activities that provide goods and services to other state departments or agencies on a cost-reimbursement basis. A brief description of each fund follows:

The Central Services Fund accounts for the cost of providing the following services to state agencies: (1) Legal services, (2) Operation and management of real estate, (3) Facilities and related services, (4) Auditing of state and local governmental units, (5) Administration of the state civil service law, (6) Administrative hearings, and (7) Archives and records management.

The Central Stores Fund accounts for the purchase and subsequent sale or rental to state agencies, of supplies, equipment, and services through central stores; it also accounts for the costs to operate central stores.

The Equipment Revolving Fund accounts for the purchase, repair, maintenance, and replacement of equipment, machinery, supplies, and vehicles used for the following activities: (1) Administration, maintenance, and construction of highways and highway facilities, and (2) Management of public and private lands.

The Data Processing Revolving Fund accounts for distribution and apportionment of the full cost of data processing and data communication services to other state agencies, and for the payment of other costs incidental to the acquisition, operation, and administration of acquired data processing services, supplies, and equipment.

The Printing Services Fund accounts for the operation of the state printing plant.

The Motor Transport Fund accounts for operations of the state motor pool, including the cost of replacing vehicles.

The State Employees' Insurance Fund accounts for payment of premiums for employees' insurance benefit contracts.

The Risk Management Fund accounts for the administration of liability, property and vehicle claims, including investigation, claim processing, negotiation and settlement, and other expenses relating to settlements and judgments against the state not otherwise budgeted.

The Higher Education Revolving Fund accounts for stores, data processing, educational, operational printing and duplication, motor pool, and other support service activities at colleges and universities.

Combining Balance Sheet
Internal Service Funds
June 30, 1991
expressed in thousands

	Central Services	Central Stores	Equipment Revolving	Data Process. Revolving	Printing Services
Assets					
Current Assets:					
Cash and pooled investments	$ 8,413	$ 2,896	$ 11,737	$ 19,071	$ 1,719
Other receivables (net of allowance)	233	155	215	272	-
Due from other funds	5,666	1,407	8,048	13,473	4,107
Due from other governments	1,691	61	17	1,732	-
Inventories	954	2,325	2,606	1,464	1,706
Prepaid expenses	241	111	64	115	20
Total Current Assets	17,198	6,955	22,687	36,127	7,552
Other Assets:					
Investments, noncurrent	-	-	-	-	1,375
Other nonfixed assets	-	-	-	-	-
Total Other Assets	-	-	-	-	1,375
Fixed Assets:					
Land	1,246	6	-	-	-
Buildings	14,611	95	63	-	-
Other improvements and miscellaneous	-	-	-	5,740	-
Furnishings and equipment	10,850	1,771	183,113	78,800	8,617
Accumulated depreciation	(10,764)	(997)	(91,503)	(54,993)	(3,113)
Construction in progress	-	-	-	3,755	-
Total Fixed Assets	15,943	875	91,673	33,302	5,504
Total Assets	$ 33,141	$ 7,830	$ 114,360	$ 69,429	$ 14,431
Liabilities and Fund Equity					
Current Liabilities:					
Accounts payable	$ 2,125	$ 1,070	$ 2,103	$ 9,593	$ 1,460
Contracts and retainages payable	253	33	30	4	87
Accrued liabilities	5,988	470	1,968	2,623	425
Due to other funds	3,502	394	1,415	1,729	14
Due to other governments	77	9	1	-	-
Deferred revenues	608	90	2,817	1	1,270
Claims and judgements payable	-	-	-	-	-
Total Current Liabilities	12,553	2,066	8,334	13,950	3,256
Long-Term Liabilities:					
Claims and judgements payable - Long-Term	-	-	-	-	-
Other long-term obligations	878	91	-	-	363
Total Long-Term Liabilities	878	91	-	-	363
Total Liabilities	13,431	2,157	8,334	13,950	3,619
Fund Equity:					
Contributed capital	10,141	421	22,278	461	-
Retained earnings:					
Unreserved	9,569	5,252	83,748	55,018	10,812
Total Fund Equity	19,710	5,673	106,026	55,479	10,812
Total Liabilities and Fund Equity	$ 33,141	$ 7,830	$ 114,360	$ 69,429	$ 14,431

Motor Transport	State Emp. Insurance	Risk Management	Higher Educ. Revolving	Totals	
				June 30, 1991	June 30, 1990
$ 4,672	$ 13,878	$ 25,591	$ 17,726	$ 105,703	$ 105,261
800	388	-	1,755	3,818	2,135
1,049	4,610	3,084	674	42,118	62,522
3	3,731	-	110	7,345	11,889
17	-	-	9,707	18,779	24,501
-	-	-	-	551	246
6,541	22,607	28,675	29,972	178,314	206,554
-	23,986	-	-	25,361	1,775
-	-	-	-	-	-
-	23,986	-	-	25,361	1,775
-	-	-	-	1,252	1,252
17	-	-	306	15,092	15,064
-	-	-	3	5,743	5,759
15,878	286	-	53,701	353,016	306,092
(7,609)	(57)	-	(36,577)	(205,613)	(177,025)
-	-	-	-	3,755	20
8,286	229	-	17,433	173,245	151,162
$ 14,827	$ 46,822	$ 28,675	$ 47,405	$ 376,920	$ 359,491
$ 256	$ 201	$ 1,397	$ 5,123	$ 23,328	$ 19,632
591	2,813	-	2,163	5,974	6,373
90	145	-	3,366	15,075	13,198
321	2,262	88	4,055	13,780	29,088
-	4	-	-	91	103
403	-	634	138	5,961	6,534
-	25,199	7,264	-	32,463	23,137
1,661	30,624	9,383	14,845	96,672	98,065
-	-	53,982	-	53,982	-
2,169	-	-	2,948	6,449	4,889
2,169	-	53,982	2,948	60,431	4,889
3,830	30,624	63,365	17,793	157,103	102,954
-	-	-	827	34,128	31,370
10,997	16,198	(34,690)	28,785	185,689	225,167
10,997	16,198	(34,690)	29,612	219,817	256,537
$ 14,827	$ 46,822	$ 28,675	$ 47,405	$ 376,920	$ 359,491

Combining Statement of Revenues, Expenses, and Changes in Fund Equity Internal Service Funds For the Fiscal Year Ended June 30, 1991

(expressed in thousands)

	Central Services	Central Stores	Equipment Revolving	Data Process. Revolving	Printing Services
Operating Revenues:					
Sales	$ 63	$ 13,591	$ 1,227	$ 17,751	$ 34,892
Less: Cost of goods sold	58	10,095	1,227	17,535	32,647
Gross profit (loss)	5	3,496	-	216	2,245
Charges for services	83,065	4,589	59,778	91,619	-
Insurance premiums	-	-	-	-	-
Miscellaneous revenue	10,820	-	12	-	-
Total Operating Revenues	93,890	8,085	59,790	91,835	2,245
Operating Expenses:					
Salaries and wages	45,231	3,539	13,818	19,717	355
Employee benefits	10,409	941	3,605	4,794	117
Personal services	1,972	40	2,004	11,946	-
Goods and services	24,549	3,340	21,523	39,557	205
Travel	1,521	37	-	258	14
Insurance benefit payments	-	-	-	-	-
Depreciation and amortization	1,615	120	16,985	10,734	761
Miscellaneous expenses	3,713	142	604	749	9
Total Operating Expenses	89,010	8,159	58,539	87,755	1,461
Operating Income (Loss)	4,880	(74)	1,251	4,080	784
Nonoperating Revenues (Expenses):					
Other revenue (expenses)	82	(190)	627	(242)	207
Interest income	572	158	1,327	1,090	234
Interest expense	(124)	(5)	(1)	(277)	(23)
Total Nonoperating Revenues (Expenses)	530	(37)	1,953	571	418
Income (Loss) Before Operating Transfers	5,410	(111)	3,204	4,651	1,202
Operating Transfers:					
Operating transfers in	-	-	-	-	-
Operating transfers out	(4,598)	-	-	(174)	-
Net Operating Transfers In (Out)	(4,598)	-	-	(174)	-
Net Income (Loss)	812	(111)	3,204	4,477	1,202
Fund Equity:					
Fund equity as restated, July 1	18,668	5,779	100,311	51,002	9,610
Residual equity transfers out	-	-	-	-	-
Contributions of capital	230	5	2,511	-	-
Return of contributed capital	-	-	-	-	-
Fund Equity, June 30	$ 19,710	$ 5,673	$ 106,026	$ 55,479	$ 10,812

				Totals for the Year Ended	
Motor Transport	State Emp. Insurance	Risk Management	Higher Education Revolving	June 30, 1991	June 30, 1990
$ -	$ -	$ -	$ 45,192	$ 112,716	$ 101,786
-	-	-	35,309	96,871	83,112
-	-	-	9,883	15,845	18,674
6,392	-	2,394	84,910	332,747	298,966
-	285,379	10,347	-	295,726	268,591
-	3	-	660	11,495	18,948
6,392	285,382	12,741	95,453	655,813	605,179
693	1,179	-	30,812	115,344	105,221
165	208	-	7,729	27,968	25,168
97	682	-	45	16,786	11,298
2,659	299,352	2,228	44,536	437,949	138,022
23	29	-	779	2,661	2,374
-	-	9,722	-	9,722	261,199
2,361	35	-	7,916	40,527	36,536
20	66	-	986	6,289	7,100
6,018	301,551	11,950	92,803	657,246	586,918
374	(16,169)	791	2,650	(1,433)	18,261
480	24	173	(83)	1,078	(2,594)
-	3,796	1,579	560	9,316	11,569
-	-	-	(388)	(818)	(334)
480	3,820	1,752	89	9,576	8,641
854	(12,349)	2,543	2,739	8,143	26,902
-	-	25,899	147	26,046	25,490
(50)	(196)	(897)	(259)	(6,174)	(26,494)
(50)	(196)	25,002	(112)	19,872	(1,004)
804	(12,545)	27,545	2,627	28,015	25,898
10,193	28,743	(62,235)	26,974	189,045	230,723
-	-	-	-	-	(3,712)
-	-	-	11	2,757	6,051
-	-	-	-	-	(2,423)
$ 10,997	$ 16,198	$ (34,690)	$ 29,612	$ 219,817	$ 256,537

Combining Statement of Cash Flows
All Internal Service Fund Types
For the Fiscal Year Ended June 30, 1991

(expressed in thousands)

	Central Services	Central Stores	Equipment Revolving	Data Process. Revolving	Printing Services
Cash Flows From Operating Activities:					
Operating Income (Loss)	$ 4,880	$ (74)	$ 1,251	$ 4,080	$ 784
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operations:					
Depreciation	1,615	120	16,985	10,734	761
Change In Assets: Decrease (Increase)					
Receivables (net of allowance)	(125)	(86)	139	(173)	1
Due from other funds	(2,183)	131	(1,672)	1,924	(1,004)
Due from other governments	(111)	13	(14)	(370)	3
Inventories	(18)	153	354	1,026	2,388
Prepaid expenses	(240)	(80)	(64)	83	(4)
Other nonfixed assets	-	-	-	-	
Change In Liabilities: Increase (Decrease)					
Accounts payable	798	297	(1,040)	1,192	163
Contracts and retainages payable	(58)	27	(5)	(4)	87
Accrued liabilities	854	118	244	370	2
Due to other funds	2,243	(51)	855	(9)	(2)
Due to other governments	36	(5)	1	-	-
Deferred revenues	(1,206)	17	2,817	(19)	(2,245)
Claims and judgements payable	-	-	-	-	-
Other long-term obligations	(52)	46	-	-	83
Net Cash or Cash Equivalents Provided By (Used In) Operating Activities	6,433	626	19,851	18,834	1,017
Cash Flows From Noncapital Financing Activities:					
Operating transfers in	-	-	-	-	-
Operating transfers out	(4,598)	-	-	(174)	-
Contributions of capital	230	5	2,511	-	-
Return of contributed capital	-	-	-	-	-
Fund equity transfers in (out)	-	-	-	-	-
Other revenue (expenses)	82	(190)	627	(242)	207
Net Cash or Cash Equivalents Provided By (Used In) Noncapital Financing Activities	(4,286)	(185)	3,138	(416)	207
Cash Flows From Capital & Related Financing Activities:					
Payments for interest	(124)	(5)	(1)	(277)	(23)
Acquisitions of fixed assets	(3,189)	(3,834)	(34,822)	(14,999)	(2,230)
Proceeds from sale of fixed assets	534	3,145	3,400	-	208
Net Cash or Cash Equivalents Provided By (Used In) Capital and Related Financing Activities	(2,779)	(694)	(31,423)	(15,276)	(2,045)
Cash Flows From Investing Activities:					
Receipt of interest	572	158	1,327	1,090	234
Proceeds from sale of investment securities	-	-	-	-	400
Purchases of investment securities	-	-	-	-	-
Net Cash Provided By (Used In) Investing Activities	572	158	1,327	1,090	634
Net Increase (Decrease) In Cash And Pooled Investments	(60)	(95)	(7,107)	4,232	(187)
Cash And Pooled Investments At July 1, 1990	8,473	2,991	18,844	14,839	1,906
Cash And Pooled Investments At June 30, 1991	$ 8,413	$ 2,896	$ 11,737	$ 19,071	$ 1,719
Noncash Investing, Capital, and Finanicing Activities:					
Acquistion of capital assets with capital leases	$ 35	$ -	$ -	$ -	$ 346
Capital lease liabilities incurred in acquiring capital assets	(35)	(124)	-	-	(170)
Contributions of capital assets from the General Fund	-	-	-	-	-
Contributions of capital assets from the Motor Vehicle Fund	-	-	-	-	-

							Higher	Totals For The Year Ended			
	Motor Transport		State Emp. Insurance		Risk Management		Education Revolving		June 30, 1991		June 30, 1990
$	374	$	(16,169)	$	791	$	2,650	$	(1,433)	$	18,261
	2,361		35		-		7,916		40,527		36,536
	(787)		(315)		-		(337)		(1,683)		50
	259		22,453		(15)		511		20,404		6,625
	(2)		820		(1,306)		18		(949)		(5,359)
	4		-		-		1,815		5,722		(3,502)
	-		-		-		-		(305)		(223)
	-		-		-		-		-		640
	104		135		1,397		650		3,696		2,862
	591		(1,085)		-		48		(399)		405
	18		31		-		241		1,878		2,419
	275		(21,005)		88		2,298		(15,308)		(11,141)
	(1)		(43)		-		-		(12)		(32)
	157		-		(58)		(36)		(573)		1,454
	-		2,061		(754)		-		1,307		1,905
	2,169		-		-		(686)		1,560		(3,661)
	5,522		(13,082)		143		15,088		54,432		47,239
	-		-		25,899		147		26,046		25,490
	(50)		(196)		(897)		(259)		(6,174)		(26,494)
	-		-		-		11		2,757		2,298
	-		-		-		-		-		(2,423)
	-		-		-		-		-		41
	480		24		173		(83)		1,078		(2,594)
	430		(172)		25,175		(184)		23,707		(3,682)
	-		-		-		(388)		(818)		(335)
	(3,878)		(87)		-		(9,196)		(72,235)		(66,645)
	159		-		-		2,180		9,626		13,654
	(3,719)		(87)		-		(7,404)		(63,427)		(53,326)
	-		3,796		1,579		560		9,316		11,569
	-		40,732		-		-		41,132		1,325
	-		(64,718)		-		-		(64,718)		(1,100)
	-		(20,190)		1,579		560		(14,270)		11,794
	2,233		(33,531)		26,897		8,060		442		2,025
	2,439		47,409		(1,306)		9,666		105,261		103,236
$	4,672	$	13,878	$	25,591	$	17,726	$	105,703	$	105,261
$	2,760	$	-	$	-	$	1,407	$	4,548	$	-
	(2,760)		-		-		(1,420)		(4,509)		-
	2,153		-		-		-		2,153		-
	486		-		-		-		486		-

Schedule of Revenues and Expenses Budget and Actual Internal Service Funds For the Biennium Ended June 30, 1991

(expressed in thousands)

	Central Services			Central Stores		
	Approved Budget 1989-91 Biennium	**Actual For 1989-91 Biennium**	**Variance Favorable (Unfavor- able)**	**Approved Budget 1989-91 Biennium**	**Actual For 1989-91 Biennium**	**Variance Favorable (Unfavor- able)**
Operating Revenues:						
Sales	$ -	$ 63	$ 63	$ 26,647	$ 26,724	$ 77
Charges for services	163,456	159,647	(3,809)	3,658	9,187	5,529
Insurance premiums	-	-	-	-	-	-
Miscellaneous revenues	14,760	20,683	5,923	-	-	-
Total Operating Revenues	178,216	180,393	2,177	30,305	35,911	5,606
Expenses:						
Allotted expenses	172,768	160,024	12,744	20,974	16,937	4,037
Nonallotted expenses (adjustments)	757	9,815	(9,058)	-	18,206	(18,206)
Total Expenses	173,525	169,839	3,686	20,974	35,143	(14,169)
Net Operating Revenues Over (Under) Expenses	4,691	10,554	5,863	9,331	768	(8,563)
Nonoperating Tevenues:						
Other revenue (expense)	-	743	743	-	(4)	(4)
Interest income	894	1,179	285	97	349	252
Total Nonoperating Revenues	894	1,922	1,028	97	345	248
Income (Loss) Before Operating Transfers	5,585	12,476	6,891	9,428	1,113	(8,315)
Operating Transfers:						
Operating transfers in		159			-	
Operating transfers out		(6,876)			-	
Net Operating Transfers In (Out)	(8,352)	(6,717)	1,635	-	-	-
Net Income (Loss)	$ (2,767)	$ 5,759	$ 8,526	$ 9,428	$ 1,113	$ (8,315)

Continued

Equipment Revolving			**Data Processing Revolving**			**Printing Services**		
Approved Budget 1989-91 Biennium	**Actual For 1989-91 Biennium**	**Variance Favorable (Unfavor-able)**	**Approved Budget 1989-91 Biennium**	**Actual For 1989-91 Biennium**	**Variance Favorable (Unfavor-able)**	**Approved Budget 1989-91 Biennium**	**Actual For 1989-91 Biennium**	**Variance Favorable (Unfavor-able)**
$ 37,478	$ 3,908	$ (33,570)	$ -	$ 27,998	$ 27,998	$ 57,600	$ 64,168	$ 6,568
54,908	110,763	55,855	184,666	178,306	(6,360)	-	-	-
-	-	-	-	-	-	-	-	-
6	64	58	-	-	-	-	-	-
92,392	114,735	22,343	184,666	206,304	21,638	57,600	64,168	6,568
98,821	111,813	(12,992)	187,727	181,063	6,664	-	-	-
-	(1,913)	1,913	-	16,378	(16,378)	55,260	62,612	(7,352)
98,821	109,900	(11,079)	187,727	197,441	(9,714)	55,260	62,612	(7,352)
(6,429)	4,835	11,264	(3,061)	8,863	11,924	2,340	1,556	(784)
76	731	655	-	(1,135)	(1,135)	-	96	96
-	2,811	2,811	2,571	[illegible]686	3,115	-	446	446
76	3,542	3,4[illegible]6	2,571	4,551	1,980	-	542	542
(6,353)	8,377	14,730	(490)	13,414	13,904	2,340	2,098	(242)
	-			366			-	
	-			(3,717)			-	
-	-	-	(2,594)	(3,351)	(757)	-	-	-
$ (6,353)	$ 8,377	$ 14,730	$ (3,084)	$ 10,063	$ 13,147	$ 2,340	$ 2,098	$ (242)

Schedule of Revenues and Expenses Budget and Actual Internal Service Funds For the Biennium Ended June 30, 1991

(expressed in thousands)

	Motor Transport			State Employees' Insurance		
	Approved Budget 1989-91 Biennium	**Actual For 1989-91 Biennium**	**Variance Favorable (Unfavorable)**	**Approved Budget 1989-91 Biennium**	**Actual For 1989-91 Biennium**	**Variance Favorable (Unfavorable)**
Operating Revenues:						
Sales	$ -	$ -	$ -	$ -	$ -	$ -
Charges for services	11,403	12,376	973	587,000	553,970	(33,030)
Insurance premiums	-	-	-	-	-	-
Miscellaneous revenues	-	-	-	-	3	3
Total Operating Revenues	11,403	12,376	973	587,000	553,973	(33,027)
Expenses:						
Allotted expenses	10,974	10,193	781	7,068	6,618	450
Nonallotted expenses (adjustments)	900	910	(10)	579,932	559,073	20,859
Total Expenses	11,874	11,103	771	587,000	565,691	21,309
Net Operating Revenues Over (Under) Expenses	(471)	1,273	1,744	-	(11,718)	(11,718)
Nonoperating Tevenues:						
Other revenue (expense)	650	691	41	-	(1,500)	(1,500)
Interest income	-	-	-	5	7,669	7,664
Total Nonoperating Revenues	650	691	41	5	6,169	6,164
Income (Loss) Before Operating Transfers	179	1,964	1,785	5	(5,549)	(5,554)
Operating Transfers:						
Operating transfers in		-			5,500	
Operating transfers out		(69)			(5,696)	
Net Operating Transfers In (Out)	(74)	(69)	5	6,197	(196)	(6,393)
Net Income (Loss)	$ 105	$ 1,895	$ 1,790	$ 6,202	$ (5,745)	$ (11,947)

Concluded

Risk Management			Higher Education Revolving			Totals		
Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavorable)	Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavorable)	Approved Budget 1989-91 Biennium	Actual For 1989-91 Biennium	Variance Favorable (Unfavorable)
$ -	$ -	$ -	$ 53,961	$ 85,494	$ 31,533	$ 175,686	$ 208,355	$ 32,669
2,250	2,395	145	121,686	159,039	37,353	1,129,027	1,185,683	56,656
-	-	-	-	-	-	-	-	-
16,920	18,516	1,596	559	1,525	966	32,245	40,791	8,546
19,170	20,911	1,741	176,206	246,058	69,852	1,336,958	1,434,829	97,871
-	-	-	20,635	29,963	(9,328)	518,967	516,611	2,356
24,353	23,476	877	144,460	213,985	(69,525)	805,662	902,542	(96,880)
24,353	23,476	877	165,095	243,948	(78,853)	1,324,629	1,419,153	(94,524)
(5,183)	(2,565)	2,618	11,111	2,110	(9,001)	12,329	15,676	3,347
-	173	173	-	(1,310)	(1,310)	726	(1,515)	(2,241)
1,200	1,580	380	40	1,164	1,124	4,807	20,884	16,077
1,200	1,753	553	40	(146)	(186)	5,533	19,369	13,836
(3,983)	(812)	3,171	11,151	1,964	(9,187)	17,862	35,045	17,183
	28,326			22,105			56,456	
	-			(21,229)			(37,587)	
27,353	28,326	973	-	876	876	22,530	18,869	(3,661)
$ 23,370	$ 27,514	$ 4,144	$ 11,151	$ 2,840	$ (8,311)	$ 40,392	$ 53,914	$ 13,522

Trust and Agency Funds

Trust and Agency Funds account for assets Washington holds in a trustee capacity or as an agent for individuals, private organizations, other governmental organizations, or other funds. These include: A) Expendable Trust Funds, B) Nonexpendable Trust Funds, C) Pension Trust Funds, and D) Agency Funds.

Expendable Trust Funds

Expendable Trust Funds account for assets held by the state in a trustee capacity where the principal and income may be expended in the course of the funds' designated operations. A brief description of each fund follows:

The Human Services Trust Fund accounts for the following: (1) The deposit of funds requisitioned from the Federal Unemployment Trust Fund and for the payment of unemployment benefits; (2) The residents' share of financial support for the Veterans' Home and Soldiers' Home; and (3) Surcharges assessed on all telephone lines to provide telephone service to low-income and physically impaired individuals.

The Higher Education Trust Fund accounts for college and university gifts in the support of fellowships and scholarships.

The Miscellaneous Trust Fund accounts for various assets held in trust for other governments, individuals or the public at large. This includes the deferred compensation plan for state employees, museums and historical socieities, K-12 school construction investments, local rail assistance, and various regional environmental trusts.

Nonexpendable Trust Funds

Nonexpendable Trust Funds account for assets held by the state in a trustee capacity where only income derived from the trust principal may be expended for designated operations. The principal must be preserved intact. A brief description of each fund follows:

The Higher Education Endowment Fund accounts for the principal derived from the sale of timber, and for gifts and bequests which the donors have specified must remain intact. Interest earned is used for the benefit of certain colleges and universities.

The Common School Permanent Fund accounts for the principal derived from the sale of timber. Interest earned is used for the benefit of the common schools.

Pension Trust Funds

Pension Trust Funds account for transactions, assets, liabilities, and net assets available for plan benefits of the various state public employee retirement systems. See Note 6, Retirement Systems, for a description of the individual Pension Trust Funds.

Agency Funds

Agency Funds account for the receipt and disbursement of various taxes, deposits, deductions, and property collected by the state, acting in the capacity of an agent, for distribution to other governmental units or other organizations. A brief description of each of Washington's Agency Funds follows:

The Clearing Fund is used as a clearing account primarily for processing payrolls. This fund is also used for other activities such as the following: (1) Collection and disbursement of child support payments for clients, (2) Processing payments for goods and services purchased, (3) Collection and distribution of a portion of motor vehicle excise taxes to local governments and transit districts for public transportation systems, and (4) Collection and payment of employer and employee O.A.S.I. contributions.

The Suspense Fund is used to account for the following: (1) Third parties' monies for which final disposition is not yet known, (2) State revenues received without a statement designating source and fund, and (3) State timber sales bid deposits where final disposition is pending.

The Local Government Distributions Fund is used to account for the receipt and allocation of local sales and use taxes, and leasehold taxes imposed by local governments.

The Deferred Compensation Fund is used to account for the amount of compensation deferred by state employees and employees of other political subdivisions electing to participate in a deferred compensation plan in accordance with Internal Revenue Code Section 457.

The Pooled Investments Fund is used for pooling and investing surplus public funds, and the accumulation and allocation of interest earned among the various accounts and funds from which such investments and investment deposits were made.

Combining Balance Sheet
Trust and Agency Funds
June 30, 1991

expressed in thousands

	Expendable Trust			Nonexpendable Trust	
	Human Services Trust	Higher Education Trust	Miscellaneous Trust	Higher Education Endowment	Common School Permanent
Assets					
Current Assets:					
Cash and pooled investments	$ 1,650,990	$ 42,902	$ 62,507	$ 32,737	$ 34
Other receivables (net of allowance)	26,960	86,365	6,766	8,942	2,435
Due from other funds	3,172	6,731	2,773	959	3
Due from other governments	9,532	1,176	18,765	-	-
Inventories	50	10	211	-	-
Total Current Assets	1,690,704	137,184	91,022	42,638	2,472
Other Assets:					
Investments, noncurrent	1,858	29,797	4,306	541,207	116,253
Other nonfixed assets	-	-	-	39	-
Total Other Assets	1,858	29,797	4,306	541,246	116,253
Total Assets	$ 1,692,562	$ 166,981	$ 95,328	$ 583,884	$ 118,725
Liabilities and Fund Equity					
Liabilities:					
Accounts payable	$ 3,088	$ 393	$ 2,778	$ -	$ -
Contracts and retainages payable	1	10	1	2,514	-
Accrued liabilities	162	4,015	100	-	-
Due to other funds	551	2,047	20,812	30,549	527
Due to other governments	598	27	-	-	-
Deferred revenues	3,409	342	20,605	-	-
Other long-term obligations	-	-	-	4,059	-
Total Liabilities	7,809	6,834	44,296	37,122	527
Fund Equity:					
Unrealized gain on investments	-	-	-	-	-
Fund balances:					
Reserved for:					
Encumbrances	-	-	-	-	-
Inventories	50	10	211	-	-
Nonexpendable trust corpus	-	4	-	546,762	118,198
Unemployment compensation	1,665,027	-	-	-	-
Retirement systems	-	-	-	-	-
Other specific purposes	1,894	110,588	7,778	-	-
Unreserved:					
Designated for other specific purposes	-	4,919	-	-	-
Undesignated	17,782	44,626	43,043	-	-
Total Fund Equity	1,684,753	160,147	51,032	546,762	118,198
Total Liabilities and Fund Equity	$ 1,692,562	$ 166,981	$ 95,328	$ 583,884	$ 118,725

Continued

Pension Trust					
Public Employees'	Teachers'	L.E.O.F.F.	State Patrol	Judicial	Volunteer Firemen
$ 8,438	$ 12,864	$ 5,140	$ 1,050	$ 2,164	$ 94
41,013	27,685	15,878	1,554	-	399
2,398	809	363	60	841	20
36,965	27,715	4,705	442	51	-
-	-	-	-	-	-
88,814	69,073	26,086	3,106	3,056	513
6,965,478	4,703,961	2,712,480	248,030	-	48,495
-	-	-	-	-	-
6,965,478	4,703,961	2,712,480	248,030	-	48,495
$ 7,054,292	$ 4,773,034	$ 2,738,566	$ 251,136	$ 3,056	$ 49,008
$ 2,171	$ 1,124	$ 50	$ 42	$ 11	$ -
-	-	-	-	-	-
-	17	-	-	-	29
2,131	432	102	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,302	1,573	152	42	11	29
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
7,049,990	4,771,461	2,738,414	251,094	3,045	48,979
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
7,049,990	4,771,461	2,738,414	251,094	3,045	48,979
$ 7,054,292	$ 4,773,034	$ 2,738,566	$ 251,136	$ 3,056	$ 49,008

Combining Balance Sheet
Trust and Agency Funds
June 30, 1991

expressed in thousands

Concluded

	Agency					Totals	
	Clearing	Suspense	Local Gov't Distrub.	Deferred Comp.	Pooled Invest.	June 30, 1991	June 30, 1990
Assets							
Current Assets:							
Cash and pooled investments	$ 11,328	$ 23,617	$ 34,558	$ 115	$ 1,811,766	$ 3,700,304	$ 2,629,544
Other receivables (net of allowance)	68,506	2,084	-	1,008	59,352	348,947	317,729
Due from other funds	2,825	4,359	140,447	22	32,726	198,508	187,872
Due from other governments	2	6,780	-	-	6,159	112,292	87,393
Inventories	-	-	-	-	-	271	240
Total Current Assets	82,661	36,840	175,005	1,145	1,910,003	4,360,322	3,222,778
Other Assets:							
Investments, noncurrent	-	-	-	252,844	15,925	15,640,634	14,395,725
Other nonfixed assets	-	-	-	-	-	39	69,087
Total Other Assets	-	-	-	252,844	15,925	15,640,673	14,464,812
Total Assets	$ 82,661	$ 36,840	$ 175,005	$ 253,989	$ 1,925,928	$ 20,000,995	$ 17,687,590
Liabilities and Fund Equity							
Liabilities:							
Accounts payable	$ 1,903	$ 211	$ -	$ -	$ 3,830	$ 15,601	$ 11,184
Contracts and retainages payable	15	9,847	-	-	3,074	15,462	13,760
Accrued liabilities	64,057	2,765	-	347	88,426	159,918	99,226
Due to other funds	163	18,222	-	792	349,798	426,126	175,213
Due to other governments	16,523	5,795	175,005	-	1,480,800	1,678,748	1,052,917
Deferred revenues	-	-	-	-	-	24,356	46,256
Other long-term obligations	-	-	-	252,850	-	256,909	378,331
Total Liabilities	82,661	36,840	175,005	253,989	1,925,928	2,577,120	1,776,887
Fund Equity:							
Unrealized gain on investments	-	-	-	-	-	-	-
Fund balances:							
Reserved for:							
Encumbrances	-	-	-	-	-	-	3,425
Inventories	-	-	-	-	-	271	240
Nonexpendable trust corpus	-	-	-	-	-	664,964	614,109
Unemployment compensation	-	-	-	-	-	1,665,027	1,503,396
Retirement systems	-	-	-	-	-	14,862,983	13,573,540
Other specific purposes	-	-	-	-	-	120,260	109,346
Unreserved:							
Designated for other specific purposes	-	-	-	-	-	4,919	4,727
Undesignated	-	-	-	-	-	105,451	101,920
Total Fund Equity	-	-	-	-	-	17,423,875	15,910,703
Total Liabilities and Fund Equity	$ 82,661	$ 36,840	$ 175,005	$ 253,989	$ 1,925,928	$ 20,000,995	$ 17,687,590

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Expendable Trust Funds
For the Fiscal Year Ended June 30, 1991

(expressed in thousands)

	Human Services Trust	Higher Education Trust	Misc. Trust	Totals For The Year Ended	
				June 30, 1991	June 30, 1990
Revenues:					
Licenses, permits, and fees	$ 134	$ -	$ -	$ 134	$ 49
Federal grants-in-aid	28,672	63,347	43,159	135,178	134,192
Charges for services	3,018	6,570	2,616	12,204	10,365
Unemployment comp. contributions	547,203	-	-	547,203	562,682
Miscellaneous revenue	143,541	38,200	18,781	200,522	322,221
Total Revenues	722,568	108,117	64,556	895,241	1,029,509
Expenditures:					
Current:					
General government	-	-	40,169	40,169	49,470
Human services	554,319	-	3,568	557,887	519,911
Natural resources and recreation	118	-	2,800	2,918	340
Transportation	-	-	127	127	-
Education	30,665	99,135	783	130,583	117,001
Capital outlays	204	1,025	72,089	73,318	862
Debt service:					
Principal	-	4	-	4	34
Interest	-	20	-	20	8
Total Expenditures	585,306	100,184	119,536	805,026	687,626
Excess of Revenues Over (Under) Expenditures	137,262	7,933	(54,980)	90,215	341,883
Other Financing Sources (Uses):					
Operating transfers in	26,208	7,395	99,263	132,866	25,765
Operating transfers out	(3,818)	(6,518)	(15,377)	(25,713)	(46,351)
Total Other Financing Sources (Uses)	22,390	877	83,886	107,153	(20,586)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	159,652	8,810	28,906	197,368	321,297
Fund Balances:					
Fund balances as restated, July 1	1,525,101	151,336	22,126	1,698,563	1,401,770
Residual equity transfers in	-	1	-	1	-
Residual equity transfers out	-	-	-	-	(10)
Fund Balances, June 30	$ 1,684,753	$ 160,147	$ 51,032	$ 1,895,932	$ 1,723,057

Combining Statement of Revenues, Expenses, and Changes in Fund Equity
Nonexpendable Trust Funds
For the Fiscal Year Ended June 30, 1991
(expressed in thousands)

	Higher Education Endowment	Common School Permanent	Totals for the Year Ended June 30, 1991	Totals for the Year Ended June 30, 1990
Operating Revenues:				
Charges for services	$ 1	$ -	$ 1	$ 1
Earnings on investments	32,582	9,720	42,302	50,906
Miscellaneous revenue	53,313	375	53,688	41,523
Total Operating Revenues	85,896	10,095	95,991	92,430
Nonoperating Revenues (Expenses):				
Other revenue (expenses)	(142)	335	193	117
Income (Loss) Before Operating Transfers	85,754	10,430	96,184	92,547
Operating Transfers:				
Operating transfers in	1,394	-	1,394	12,721
Operating transfers out	(40,106)	(6,617)	(46,723)	(39,255)
Net Operating Transfers In (Out)	(38,712)	(6,617)	(45,329)	(26,534)
Net Income (Loss)	47,042	3,813	50,855	66,013
Fund Equity:				
Fund equity as restated, July 1	499,720	114,385	614,105	548,193
Residual equity transfers out	-	-	-	(101)
Fund Equity, June 30	$ 546,762	$ 118,198	$ 664,960	$ 614,105

Combining Statement of Cash Flows
All Nonexpendable Fund Types
For the Fiscal Year Ended June 30, 1991

(expressed in thousands)

	Higher Education Endowment	Common School Permanent	Totals For The Year Ended	
			June 30, 1991	June 30, 1990
Cash Flows From Operating Activities:				
Operating Income (Loss)	$ 85,896	$ 10,095	$ 95,991	$ 92,430
Adjustments to Reconcile Operating Income To Net Cash Provided By Operations:				
Amortization of premiums/discounts on investments	-	-	-	(833)
Change In Assets: Decrease (Increase)				
Receivables (net of allowance)	7,809	(131)	7,678	(7,319)
Due from other funds	(901)	(4)	(905)	1,151
Other nonfixed assets	18,942	234	19,176	4,049
Change In Liabilities: Increase (Decrease)				
Contracts and retainages payable	(471)	-	(471)	(675)
Accrued liabilities	(17,392)	-	(17,392)	6,346
Due to other funds	23,801	(1,452)	22,349	788
Deferred revenues	(26,800)	(234)	(27,034)	3,813
Other long-term obligations	(2,493)	-	(2,493)	244
Net Cash or Cash Equivalents Provided By (Used In) Operating Activities	88,391	8,508	96,899	99,994
Cash Flows From Noncapital Financing Activities:				
Operating transfers in	1,394	-	1,394	12,721
Operating transfers out	(40,106)	(6,617)	(46,723)	(39,255)
Contributions of capital	-	-	-	-
Fund equity transfers in (out)	-	-	-	(101)
Other revenue (expenses)	(142)	335	193	117
Net Cash or Cash Equivalents Provided By (Used In) Noncapital Financing Activities	(38,854)	(6,282)	(45,136)	(26,518)
Cash Flows From Investing Activities:				
Proceeds from sale of investment securities	159,436	32,935	192,371	214,391
Purchases of investment securities	(199,378)	(35,146)	(234,524)	(272,968)
Net Cash Provided By (Used In) Investing Activities	(39,942)	(2,211)	(42,153)	(58,577)
Net Increase (Decrease) In Cash And Pooled Investments	9,595	15	9,610	14,899
Cash And Pooled Investments At July 1, 1990	23,142	19	23,161	8,262
Cash And Pooled Investments At June 30, 1991	$ 32,737	$ 34	$ 32,771	$ 23,161

Combining Statement of Revenues, Expenses, and Changes in Fund Equity
Pension Trust Funds
For the Fiscal Year Ended June 30, 1991

(expressed in thousands)

	Public Employees'	Teachers'	L.E.O.F.F.	State Patrol	Judicial
Operating Revenues:					
Earnings on investments	$ 501,081	$ 329,889	$ 190,024	$ 2,988	$ 136
Pension contributions	495,298	364,893	57,518	10,473	4,302
Total Operating Revenues	996,379	694,782	247,542	13,461	4,438
Operating Expenses:					
Personal services	658	437	265	23	-
Goods and services	175	8	168	-	1
Pension benefit payments	344,514	263,159	111,211	6,305	3,786
Total Operating Expenses	345,347	263,604	111,644	6,328	3,787
Operating Income (Loss)	651,032	431,178	135,898	7,133	651
Nonoperating Revenues (Expenses):					
Other revenue (expenses)	(31,959)	(11,485)	43,681	(1,233)	-
Income (Loss) Before Operating Transfers	619,073	419,693	179,579	5,900	651
Operating Transfers:					
Operating transfers in	-	-	60,267	63	-
Operating transfers out	(451)	(261)	(155)	(14)	-
Net Operating Transfers In (Out)	(451)	(261)	60,112	49	-
Net Income (Loss)	618,622	419,432	239,691	5,949	651
Fund Equity:					
Fund equity as restated, July 1	6,431,368	4,352,029	2,498,723	245,145	2,394
Residual equity transfers in	-	-	-	-	-
Residual equity transfers out	-	-	-	-	-
Fund Equity, June 30	$ 7,049,990	$ 4,771,461	$ 2,738,414	$ 251,094	$ 3,045

Volunteer Firefighters'	Totals for the Year Ended	
	June 30, 1991	June 30, 1990
$ 4,700	$ 1,028,818	$ 1,082,965
534	933,018	838,569
5,234	1,961,836	1,921,534
-	1,383	1,233
-	352	234
3,433	732,408	691,390
3,433	734,143	692,857
1,801	1,227,693	1,228,677
-	(996)	5
1,801	1,226,697	1,228,682
3,300	63,630	
(3)	(884)	(870)
3,297	62,746	
5,098	1,289,443	1,227,812
43,881	13,573,540	12,345,724
-	-	264
-	-	(260)
$ 48,979	$ 14,862,983	$ 13,573,540

Combining Statement of Changes in Assets and Liabilities Agency Funds For the Fiscal Year Ended June 30, 1991

Continued

(expressed in thousands)

	Balance July 1, 1990	Additions	Deductions	Balance June 30, 1991
Clearing Fund				
Assets:				
Cash and pooled investments	$ 5,973	$ 2,132,756	$ 2,127,401	$ 11,328
Other receivables (net of allowance)	51,732	272,546	255,772	68,506
Due from other funds	617	2,780	572	2,825
Due from other governments	-	2	-	2
Total Assets	$ 58,322	$ 2,408,084	$ 2,383,745	$ 82,661
Liabilities:				
Accounts payable	$ 1,253	$ 31,362	$ 30,712	$ 1,903
Contracts and retainages payable	32	21	38	15
Accrued liabilities	44,625	2,126,895	2,107,463	64,057
Due to other funds	192	3,928	3,957	163
Due to other governments	12,220	4,775	472	16,523
Total Liabilities	$ 58,322	$ 2,166,981	$ 2,142,642	$ 82,661
Suspense Fund				
Assets:				
Cash and pooled investments	$ 14,807	$ 180,234	$ 171,424	$ 23,617
Other receivables (net of allowance)	15,093	2,093	15,102	2,084
Due from other funds	2,633	5,692	3,966	4,359
Due from other governments	4,807	4,058	2,085	6,780
Other nonfixed assets	49,872	32,189	82,061	-
Total Assets	$ 87,212	$ 224,266	$ 274,638	$ 36,840
Liabilities:				
Accounts payable	$ 108	$ 12,804	$ 12,701	$ 211
Contracts and retainages payable	8,780	24,557	23,490	9,847
Accrued liabilities	2,772	84,780	84,787	2,765
Due to other funds	8,242	18,027	8,047	18,222
Due to other governments	17,438	81,871	93,514	5,795
Other long-term obligations	49,872	32,189	82,061	-
Total Liabilities	$ 87,212	$ 254,228	$ 304,600	$ 36,840
Local Government Distribution Fund				
Assets:				
Cash and pooled investments	$ 17,502	$ 1,369,729	$ 1,352,673	$ 34,558
Due from other funds	141,036	358	947	140,447
Total Assets	$ 158,538	$ 1,370,087	$ 1,353,620	$ 175,005
Liabilities:				
Accounts payable	$ -	$ 390	$ 390	$ -
Accrued liabilities	611	-	611	-
Due to other funds	-	-	-	-
Due to other governments	157,927	1,544,465	1,527,387	175,005
Total Liabilities	$ 158,538	$ 1,544,855	$ 1,528,388	$ 175,005

Combining Statement of Changes in Assets and Liabilities *Concluded*
Agency Funds
For the Fiscal Year Ended June 30, 1991
(expressed in thousands)

	Balance July 1, 1990	Additions	Deductions	Balance June 30, 1991
Deferred Compensation Fund				
Assets:				
Cash and pooled investments	$ 4	$ 137,553	$ 137,442	$ 115
Other receivables (net of allowance)	364	40,221	39,577	1,008
Due from other funds	18	19	15	22
Investments, noncurrent	203,020	145,110	95,286	252,844
Total Assets	$ 203,406	$ 322,903	$ 272,320	$ 253,989
Liabilities:				
Accounts payable	$ -	$ 1,132	$ 1,132	$ -
Accrued liabilities	1	8,371	8,025	347
Due to other funds	498	656	362	792
Other long-term obligations	202,907	59,083	9,140	252,850
Total Liabilities	$ 203,406	$ 69,242	$ 18,659	$ 253,989
Pooled Investments Fund				
Assets:				
Cash and pooled investments	$ 1,009,262	$ 18,379,083	$ 17,576,579	$ 1,811,766
Other receivables (net of allowance)	1,999	71,887	14,534	59,352
Due from other funds	22,401	31,691	21,366	32,726
Due from other governments	4,813	1,819	473	6,159
Investments, noncurrent	13,779	203,998	201,852	15,925
Total Assets	$ 1,052,254	$ 18,688,478	$ 17,814,804	$ 1,925,928
Liabilities:				
Accounts payable	$ 2,548	$ 54,648	$ 53,366	$ 3,830
Contracts and retainages payable	1,939	58,437	57,302	3,074
Accrued liabilities	29,740	122,036	63,350	88,426
Due to other funds	153,229	612,509	415,940	349,798
Due to other governments	864,798	5,200,838	4,584,836	1,480,800
Other long-term obligations	-	-	-	-
Total Liabilities	$ 1,052,254	$ 6,048,468	$ 5,174,794	$ 1,925,928
Totals - All Agency Funds				
Assets:				
Cash and pooled investments	$ 1,047,548	$ 22,199,355	$ 21,365,519	$ 1,881,384
Other receivables (net of allowance)	69,188	386,747	324,985	130,950
Due from other funds	166,705	40,540	26,866	180,379
Due from other governments	9,620	5,879	2,558	12,941
Investments, noncurrent	216,799	349,108	297,138	268,769
Other nonfixed assets	49,872	32,189	82,061	-
Total Assets	$ 1,559,732	$ 23,013,818	$ 22,099,127	$ 2,474,423
Liabilities:				
Accounts payable	$ 3,909	$ 100,336	$ 98,301	$ 5,944
Contracts and retainages payable	10,751	83,015	80,830	12,936
Accrued liabilities	77,749	2,342,082	2,264,236	155,595
Due to other funds	162,161	635,120	428,306	368,975
Due to other governments	1,052,383	6,831,949	6,206,209	1,678,123
Other long-term obligations	252,779	91,272	91,201	252,850
Total Liabilities	$ 1,559,732	$ 10,083,774	$ 9,169,083	$ 2,474,423

General Fixed Assets Account Group

Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group, rather than in the individual funds. Public domain (infrastructure) assets consisting of certain improvements other than buildings (including roads, bridges, curbs and gutters, streets, sidewalks, drainage systems, lighting systems, and similar assets) are not reported in the account group.

Schedule of General Fixed Assets By Function June 30, 1991*

(expressed in thousands)

	Land	Buildings	Furnishings and Equipment	Other** Improvements/ Miscellaneous	Construction in Progress	Total
General government	$ 21,591	$ 95,517	$ 28,535	$ 7,284	$ 63,247	$ 216,174
Human services	4,643	375,970	39,864	62,889	84,416	567,782
Natural resources and recreation	397,083	61,120	32,312	22,843	1,342	514,700
Transportation	27,569	54,813	43,012	1,320	5,609	132,323
Education	76,034	908,198	171,276	308,513	112,753	1,576,774
Total General Fixed Assets	$ 526,920	$ 1,495,618	$ 314,999	$ 402,849	$ 267,367	$ 3,007,753

** Amounts displayed are net of depreciation where appropriate.*

***Includes library resources, museum and art collections.*

Schedule of Changes in General Fixed Assets By Function For the Fiscal Year Ended June 30, 1991

(expressed in thousands)

	Balance July 1, 1990	Net Transfers	Additions	Deletions	Balance June 30, 1991
General government	$ 217,475	$ (169)	$ 69,550	$ 3,731	$ 283,125
Depreciation	(59,543)	56	9,462	1,998	(66,951)
Total general government	157,932				216,174
Human services	681,304		83,194	9,389	755,109
Depreciation	(176,173)		23,988	12,834	(187,327)
Total human services	505,131				567,782
Natural resources and recreation	414,894		196,055	16,990	593,959
Depreciation	(71,069)		9,489	1,299	(79,259)
Total natural resources and recreation	343,825				514,700
Transportation	199,777		61,968	51,368	210,377
Depreciation	(70,562)		11,896	4,404	(78,054)
Total transportation	129,215				132,323
Education	2,227,535	169	337,281	163,485	2,401,500
Depreciation	(760,915)	(56)	77,384	13,629	(824,726)
Total education	1,466,620				1,576,774
Total General Fixed Assets	$ 2,602,723				$ 3,007,753

*Comparative Schedule of General Fixed Assets**
By Source
June 30, 1991 and 1990
(expressed in thousands)

	1991	1990
General Fixed Assets:		
Land	$ 526,920	$ 377,759
Buildings	1,495,618	1,389,150
Furnishings and Equipment	314,999	281,193
Other Improvements/Miscellaneous	402,849	367,992
Construction in Progress	267,367	186,629
Total General Fixed Assets	$ 3,007,753	$ 2,602,723
Investment in General Fixed Assets by Source:		
General Fund	$ 1,084,604	$ 971,680
Special Revenue Funds	555,318	471,734
Capital Projects Funds	1,367,831	1,159,309
Total Investment in General Fixed Assets	$ 3,007,753	$ 2,602,723

* *Amounts displayed are net of depreciation where appropriate.*

General Long-Term Obligations Account Group

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Obligations Account Group, rather than in the individual funds.

Schedule of Changes in General Long-Term Obligations For the Fiscal Year Ended June 30, 1991

(expressed in thousands)

	Bonds Payable	Accrued Retirement Costs	Installments and Leases Payable	Other Long-Term Obligations	Total General Long-Term Obligations
Balances as restated at July 1, 1990	$ 3,363,251	$ 801,700	$ 25,619	$ 142,442	$ 4,333,012
General obligation debt issues	498,400	-	-	-	498,400
General obligation zero interest rate debt issues	22,442	-	-	-	22,442
Accretion of long-term interest liability on zero interest rate bonds	5,955	-	-	-	5,955
Decrease in installment contract obligations	-	-	(983)	-	(983)
Increase in lease obligations	-	-	9,953	-	9,953
Increase in compensated absences earned	-	-	-	17,377	17,377
Excess of actuarially determined accrued retirement obligations over amounts recorded as expenditures in governmental fund types	-	(10,300)	-	-	(10,300)
Decrease in other long-term obligations	-	-	-	(2,880)	(2,880)
General and limited obligation retirement of principal	(169,015)	-	-	-	(169,015)
Balances at June 30, 1991	$ 3,721,033	$ 791,400	$ 34,589	$ 156,939	$ 4,703,961

Schedules

Schedule of Revenues and Other Sources (Uses) - All Governmental Fund Types For the Fiscal Year Ended June 30, 1991

(expressed in thousands)

	Governmental Fund Types				Totals	
	General	Special Revenue	Debt Service	Capital Projects	Year Ended June 30, 1991	Year Ended June 30, 1990
Taxes:						
Retail sales	$ 3,324,588	$ 2,654	$ -	$ -	$ 3,327,242	$ 3,075,305
Business and occupation	1,163,434	-	-	-	1,163,434	1,142,994
Use (compensating)	260,806	-	-	-	260,806	223,814
Motor vehicle and fuel	3,354	581,606	-	-	584,960	491,315
Liquor, beer, and wine	74,500	20,723	-	-	95,223	90,778
Cigarette and tobacco	96,340	43,916	-	-	140,256	138,664
Insurance premiums	104,878	2,081	-	-	106,959	92,701
Public utility	156,592	-	-	-	156,592	152,573
Pari-mutuels and amusements	4,176	5,607	-	-	9,783	10,511
Property	742,440	-	-	-	742,440	680,956
Motor vehicle excise	376,755	101,529	-	-	478,284	406,220
Other excise	249,326	338	-	-	249,664	285,406
Gift and inheritance	48,946	-	-	-	48,946	29,744
Other taxes	119,578	72,708	-	-	192,286	190,552
Subtotal	6,725,713	831,162	-	-	7,556,875	7,011,533
Tax Credits:						
Business and occupation	(8,666)	-	-	-	(8,666)	(8,133)
Other tax credits	(4,053)	-	-	-	(4,053)	(4,171)
Total Taxes	6,712,994	831,162	-	-	7,544,156	6,999,229
Licenses, Permits and Fees:						
Business and professions	46,478	17,612	-	-	64,090	56,176
Hunting and fishing	2,979	19,530	-	-	22,509	23,736
Motor vehicle	2,328	191,218	-	-	193,546	173,027
Motor vehicle operators	3,639	16,071	-	-	19,710	17,811
Other fees	16,379	65,616	-	-	81,995	74,655
Total Licenses, Permits and Fees	71,803	310,047	-	-	381,850	345,405
Federal Grants-In-Aid:						
Department of Health and Human Sevices	1,367,995	180,780	-	-	1,548,775	1,338,653
Department of Labor	68,073	66,074	-	-	134,147	133,078
Department of Agriculture	186,786	25,808	-	-	212,594	185,383
Department of Transportation	3,413	441,933	-	-	445,346	360,624
Department of Education	181,673	28,687	164	-	210,524	183,195
Other federal grants-in-aid	102,903	126,530	-	-	229,433	213,531
Total Federal Grants-in-Aid	1,910,843	869,812	164	-	2,780,819	2,414,464
Charges For Services						
Tuition and student fees	175,019	71,615	-	15,337	261,971	236,030
Other charges	45,394	92,388	-	-	137,782	123,823
Total Charges for Services	220,413	164,003	-	15,337	399,753	359,853
Miscellaneous Revenue:						
Earnings on investments	100,781	89,015	11,112	5,475	206,383	179,014
Property and timber management	75,015	173,936	-	7,602	256,553	278,497
Fines and forfeitures	40,556	10,593	-	6	51,155	51,718
Contributions and grants	33,783	114,997	-	50	148,830	125,851
Other	8,189	53,410	3,245	705	65,549	91,477
Total Miscellaneous Revenue	258,324	441,951	14,357	13,838	728,470	726,557
Total Revenues	9,174,377	2,616,975	14,521	29,175	11,835,048	10,845,508
Other Financing Sources (Uses):						
Bond sale proceeds	-	130,722	-	377,450	508,172	171,114
Proceeds of refunding bonds	-	-	-	-	-	127,277
Payment to refunded bond escrow agent	-	-	-	-	-	(127,130)
Note proceeds	-	-	-	-	-	-
Operating transfers in	235,621	80,352	415,796	70,604	802,373	1,104,683
Operating transfers out	(544,287)	(215,302)	(28,024)	(39,663)	(827,276)	(959,939)
Capital lease acquisitions	7,770	7,279	-	280	15,329	11,498
Total Other Financing Sources (Uses)	(300,896)	3,051	387,772	408,671	498,598	327,503
Total Revenues And Other Financing Sources (Uses)	$ 8,873,481	$ 2,620,026	$ 402,293	$ 437,846	$ 12,333,646	$ 11,173,011

Schedule of Expenditures - All Governmental Fund Types
For the Fiscal Year Ended June 30, 1991

(expressed in thousands)

	Governmental Fund Types				Totals	
	General	Special Revenue	Debt Service	Capital Projects	Year Ended June 30, 1991	Year Ended June 30, 1990
By Function						
General government	$ 510,383	$ 244,943	$ 392,850	$ 56,706	$ 1,204,882	$ 1,092,017
Human services	3,717,661	138,648	-	65,729	3,922,038	3,296,836
Natural resources and recreation	316,058	285,216	-	19,665	620,939	489,144
Transportation	42,833	1,066,045	-	2,541	1,111,419	865,025
Education	4,437,578	771,903	-	142,185	5,351,666	4,762,706
Total Expenditures	$ 9,024,513	$ 2,506,755	$ 392,850	$ 286,826	$ 12,210,944	$ 10,505,728
By Object						
Salaries and wages	$ 1,529,796	$ 637,096	$ -	$ 4,821	$ 2,171,713	$ 1,945,365
Employee benefits	395,019	154,932	-	1,168	551,119	484,106
Personal services	35,379	50,190	-	2,045	87,614	50,217
Goods and services	538,632	390,093	-	32,701	961,426	806,551
Travel	43,788	37,236	-	272	81,296	72,609
Grants and subsidies:						
K-12 basic education	3,333,157	6,460	-	-	3,339,617	2,944,939
Public assistance	2,307,342	21,883	-	857	2,330,082	2,020,287
Other miscellaneous	671,762	478,468	-	26,691	1,176,921	893,277
Total Grants and Subsidies	6,312,261	506,811	-	27,548	6,846,620	5,858,503
Capital outlays:						
Equipment	102,973	52,778	-	-	155,751	105,737
All other	62,191	669,967	-	207,585	939,743	781,115
Total Capital Outlays	165,164	722,745	-	207,585	1,095,494	886,852
Debt Service:						
Principal	3,685	5,950	155,520	219	165,374	162,793
Interest	789	1,702	237,330	10,467	250,288	238,732
Total Debt Service	4,474	7,652	392,850	10,686	415,662	401,525
Total Expenditures	$ 9,024,513	$ 2,506,755	$ 392,850	$ 286,826	$ 12,210,944	$ 10,505,728

Schedule of Refunded and Defeased Long-Term Debt
Governmental Debt Schedule
June 30, 1991
(expressed in thousands)

Bond Issue Name	Authorized	Authorized Not Issued	Issued	Redeemed	Outstanding June 30, 1991
County-City Urban Arterials....."Series II"	$ 25,405	$ -	$ 25,405	$ 3,120	$ 22,285
Capitol Campus Facilities 1975.. "Series J"	3,275	-	3,275	625	2,650
Common School Plant Facilities.."Series AC"	17,540	-	17,540	1,200	16,340
Common School Plant Facilities.."Series BC"	29,510	-	29,510	-	29,510
Community Colleges 1981........."Series AK"	6,910	-	6,910	1,870	5,040
Comm. Coll. Construction 1979...."Series X"	11,860	-	11,860	1,740	10,120
County-City Urban Arterials....."Series AI"	8,540	-	8,540	-	8,540
Ferry System Vessels, 1977......."Series B"	69,550	-	69,550	7,130	62,420
Fire Service Training Center...."Series AE"	700	-	700	-	700
Fire Service Training Center...."Series AS"	3,160	-	3,160	-	3,160
Fisheries Capital Projects......"Series AN"	6,010	-	6,010	2,095	3,915
Fisheries Facilities, 1979......."Series Y"	2,560	-	2,560	-	2,560
Fisheries Facilities 1983......."Series AX"	990	-	990	-	990
Handicapped Facilities 1979....."Series AI"	20,790	-	20,790	3,160	17,630
Higher Education 1979..........."Series V"	6,755	-	6,755	790	5,965
Higher Education 1981........"Series AQ-A"	29,030	-	29,030	3,230	25,800
Higher Education 1981.........."Series AP"	7,095	-	7,095	1,615	5,480
Higher Education 1983.........."Series AW"	9,495	-	9,495	-	9,495
Higher Education Facilities......"Series W"	29,180	-	29,180	3,350	25,830
Higher Education................"Series AY"	6,640	-	6,640	-	6,640
Indian Cultural Center Const...."Series AR"	530	-	530	-	530
I-90 Highway Projects 1979......"Series CC"	28,225	-	28,225	1,005	27,220
Jail Improvement 1979.........."Series AB"	51,755	-	51,755	5,195	46,560
Local Jail Improvement 1981....."Series AU"	93,125	-	93,125	-	93,125
Outdoor Rec. Areas/Facilities..."Series AD"	6,585	-	6,585	-	6,585
Outdoor Rec. Areas/Facilities..."Series AG"	11,385	-	11,385	630	10,755
Performing Arts Facilities......"Series AH"	1,415	-	1,415	270	1,145
Public Water Supply Facilities.."Series AM"	27,540	-	27,540	1,615	25,925
Refunding............."Series 1984-B/CC-1"	3,335	-	3,335	-	3,335
Refunding.............."Series 1984-B/B-3"	13,340	-	13,340	-	13,340
Refunding..................."Series 1985A"	64,385	-	64,385	-	64,385
Refunding..................."Series R-86A"	33,540	-	33,540	-	33,540
Refunding..................."Series R-86C"	49,315	-	49,315	-	49,315
Salmon Enhancement 1977........."Series Q"	3,515	-	3,515	-	3,515
Social and Health Services 1979."Series AA"	84,720	-	84,720	12,215	72,505
Social and Health Services 1981 "Series AL"	129,730	-	129,730	8,070	121,660
Spokane River Toll Bridge Refunding	2,165	-	2,165	340	1,825
State Buildings and Facilites..."Series BD"	9,415	-	9,415	-	9,415
State Buildings and Facilities.."Series AO"	10,420	-	10,420	1,615	8,805
State Buildings and Facilities.."Series AV"	53,115	-	53,115	-	53,115
State Highway Projects, 1981...."Series DD"	123,230	-	123,230	-	123,230
State Office Buildings.........."Series Z"	7,005	-	7,005	1,340	5,665
Urban Arterial Board, 1981....."Series III"	16,670	-	16,670	-	16,670
Washington State University 1977."Series O"	145	-	145	-	145
Waste Disposal Facilities, 1972	85,735	-	85,735	14,125	71,610
Waste Disposal Facilities 1980.."Series AJ"	141,870	-	141,870	4,915	136,955
Water Supply Facilities 1972	4,040	-	4,040	-	4,040
Water Supply Facilities 1979...."Series AF"	9,335	-	9,335	2,515	6,820
Higher Education 1985.........."Series BE"	13,465	-	13,465	-	13,465
Higher Education 1985........"Series BK"	2,020	-	2,020	-	2,020
Social and Health Services 1985."Series BI"	6,735	-	6,735	-	6,735
Higher Education Short-Term 1985."Series BF"	2,020	-	2,020	-	2,020
State Building & Facilities 1985."Series AZ"	12,150	-	12,150	-	12,150
Capital Renewal Projects 1985..."Series BH"	1,785	-	1,785	-	1,785
State Building & Facilities 1987."Series BL"	24,660	-	24,660	-	24,660
TOTAL GOVERNMENTAL	$ 1,423,415	$ -	$ 1,423,415	$ 83,775	$ 1,339,640
TOTAL RETAINED IN ESCROW	$ 1,423,415	$ -	$ 1,423,415	$ 83,775	$ 1,339,640

NOTE: Total retained in escrow is secured by U.S. government obligations, and is excluded from debt totals.

Schedule of Refunded and Defeased Long-Term Debt
Proprietary Debt Schedule
June 30, 1991
(expressed in thousands)

Bond Issue Name	Authorized	Authorized Not Issued	Issued	Redeemed	Outstanding June 30, 1991
Convention and Trade Center:					
Series AT	$ 87,860	$ -	$ 87,860	$ -	$ 87,860
Total Convention and Trade Center	87,860	-	87,860	-	87,860
State Board for Community Colleges:					
1972, Series A	10,000	-	10,000	4,225	5,775
1972, Series C	10,000	-	10,000	10,000	-
Total State Board for Community Colleges	20,000	-	20,000	14,225	5,775
Eastern Washington University:					
1965, Series A	2,955	-	2,955	2,180	775
1972, Series C	2,600	-	2,600	1,650	950
Total Eastern Washington University	5,555	-	5,555	3,830	1,725
Central Washington University:					
1966, Series A	2.900	-	2,900	2,130	770
1973, Series C	3,025	-	3,025	3,025	-
Total Central Washington University	5,925	-	5,925	5,155	770
Western Washington University:					
1965, Series A	3,850	-	3,850	2,840	1,010
1968, Series B	1,250	-	1,250	715	535
1973, Series D	4,720	-	4,720	2,355	2,365
Total Western Washington University	9,820	-	9,820	5,910	3,910
The Evergreen State College:					
1972, Series C	1,032	-	1,032	222	810
Total The Evergreen State College	1,032	-	1,032	222	810
Washington State University:					
1963, Series A	4,580	-	4,580	3,845	735
1966	2,875	-	2,875	2,135	740
1969, Series A	2,890	-	2,890	1,463	1,427
1969, Series B	2,855	-	2,855	2,055	800
1972, Series A	5,500	-	5,500	2,405	3,095
1974	750	-	750	505	245
Total Washington State University	19,450	-	19,450	12,408	7,042
University of Washington:					
1961, Series D	3,000	-	3,000	2,824	176
1962, Series E	3,000	-	3,000	2,824	176
1964, Series F	1,500	-	1,500	1,255	245
1965, Series G	5,250	-	5,250	4,230	1,020
1967, Series H	3,200	-	3,200	2,315	885
1967, Series I	1,800	-	1,800	1,255	545
1969, Series J	4,000	-	4,000	2,020	1,980
1966, Parking System Revenue	2,500	-	2,500	1,230	1,270
1969, Parking System Revenue	3,500	-	3,500	1,090	2,410
1980, Housing and Dining Revenue Bonds	6,485	-	6,485	610	5,875
Higher Education - UW Hospital "Series AQ/B"	42,475	-	42,475	2,260	40,215
Total University of Washington	76,710	-	76,710	21,913	54,797
TOTAL PROPRIETARY	$ 226,352	$ -	$ 226,352	$ 63,663	$ 162,689
TOTAL RETAINED IN ESCROW	$ 226,352	$ -	$ 226,352	$ 63,663	$ 162,689

NOTE: Total retained in escrow is secured by U.S. government obligations, and is excluded from debt totals.

Detail of Bond Sale Proceeds
For the Fiscal Year Ended June 30, 1991
(expressed in thousands)

Governmental Funds	Bond Type	Amount
Special Revenue Funds		
02M - Essential Rail Assistance Account	Capital - Rail Freight System	$ 100
051 - State and Local Improvements Revolving Account	Capital - Waste Disposal Facilities	7,958
055 - State and Local Improvements Revolving Account	Capital - Waste Disposal Facilities	44,459
070 - Outdoor Recreation Account	Capital - Marine Recreation Land	13,000
072 - State and Local Improvements Revolving Account	Capital - Water Supply Facilities	5,705
099 - Puget Sound Capital Construction Account	Capital - Ferry Vessels	5,000
112 - Urban Arterial Trust Account	Capital - City-County Urban Arterials	10,000
113 - Common School Construction Account	Capital - Common School Facilities	40,000
244 - Habitat Conservation Account	Capital - Develop Critical Habitat	4,500
Gross Bond Proceeds - Special Revenue Funds		130,722
Capital Projects Funds		
053 - Salmon Enhancement Construction Account	Capital - Fisheries	1,287
056 - State Higher Education Construction Account	Capital - Higher Education	200
057 - State Building Construction Account	Capital - State Buildings and Facilities	341,319
067 - Higher Education Reimb. Short-Term Bond Account	Capital - Higher Education	172
075 - State Social and Health Services Construction Account	Capital - State Facilities	1,700
088 - State Facilities Renewal Account	Capital - State Facilities Renewal	1,400
240 - East Capitol Campus Construction Account	Capital - Natural Resource Building	31,202
245 - Public Safety Reimbursable Bond Account	Capital - State Facilities	170
Gross Bond Proceeds - Capital Projects Funds		377,450
TOTAL BOND PROCEEDS - ALL GOVERNMENTAL FUNDS		$ 508,172

Statistical Section

THE SEAL OF THE STATE OF WASHINGTON
1889

Revenues, Expenditures, and Other Financing Sources (Uses)
All Governmental Fund Types
Fiscal Years 1982 through 1991

Table 1

(dollars in millions)

	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982
Revenues:										
Taxes:										
Retail sales	$ 3,327.2	$ 3,075.3	$ 2,676.4	$ 2,453.0	$ 2,296.2	$ 2,160.7	$ 2,009.7	$ 1,970.7	$ 1,655.1	$ 1,376.3
Business and occupation	1,163.4	1,143.0	1,009.2	897.6	776.6	737.8	731.5	678.0	576.7	522.8
Compensating	260.8	223.8	197.2	176.4	167.1	165.7	178.2	148.9	120.3	106.3
Motor vehicle and fuel	585.0	491.3	453.6	435.1	446.0	398.0	371.7	339.8	240.7	259.8
Liquor, beer, and wine	95.2	90.8	80.7	79.9	80.1	81.3	81.8	84.7	85.7	80.8
Tobacco	140.3	138.7	129.7	129.7	129.3	107.3	97.4	99.0	104.5	94.2
Insurance premiums	107.0	92.7	88.8	91.6	89.8	76.3	63.1	54.8	52.0	45.4
Utility	156.6	152.6	145.5	161.8	162.1	163.7	151.6	129.6	164.5	139.5
Property	742.4	680.9	637.8	617.7	580.5	544.8	503.1	472.3	447.9	397.9
Excise	727.9	691.6	550.8	475.6	447.9	363.9	325.3	313.6	256.7	215.8
Gift and inheritance	48.9	29.7	17.3	18.8	22.2	17.6	20.4	20.2	28.1	56.2
Other (less credits)	189.4	188.8	128.3	94.5	93.6	87.1	72.7	4.6	32.3	19.6
Total taxes	7,544.1	6,999.2	6,115.3	5,631.7	5,291.4	4,904.2	4,606.5	4,316.2	3,764.5	3,314.6
Licenses, permits, & fees	381.9	345.4	308.0	288.0	259.5	228.6	222.0	213.2	209.4	181.3
Federal grants-in-aid	2,780.8	2,414.5	2,225.9	1,946.9	1,831.2	1,684.0	1,650.6	1,337.0	1,309.0	1,283.2
Charges and misc. revenue	921.8	907.4	747.8	650.3	617.5	595.5	543.2	511.2	446.7	432.1
Earnings on investments	206.4	179.0	117.8	81.7	81.7	100.0	119.5	89.6	88.8	95.8
Total revenues	11,835.0	10,845.5	9,514.8	8,598.6	8,081.3	7,512.3	7,141.8	6,467.2	5,818.4	5,307.0
Expenditures:										
Current:										
General government	749.1	682.3	641.7	589.7	611.1	605.0	644.5	658.6	543.4	329.4
Human services	3,839.8	3,255.4	2,893.9	2,566.4	2,478.9	2,161.3	2,057.4	1,894.0	1,657.1	1,469.4
Natural resources/rec	528.1	391.1	388.0	326.9	328.8	306.5	262.0	238.6	204.2	194.6
Transportation	610.9	490.6	476.5	468.1	477.5	455.8	462.7	361.5	354.4	365.9
Education	4,971.9	4,397.6	4,009.9	3,690.7	3,483.8	3,268.0	3,040.7	2,838.7	2,752.2	2,664.9
Capital outlay	1,095.5	886.9	839.2	705.5	688.2	612.0	681.2	491.5	618.2	553.1
Debt service	415.7	401.9	370.8	344.2	311.4	296.1	442.0	250.4	196.7	176.4
Total expenditures	12,211.0	10,505.7	9,620.0	8,691.5	8,379.7	7,704.7	7,590.5	6,733.3	6,326.2	5,753.7
Revenues over (under) expenditures	(376.0)	339.8	(105.2)	(92.9)	(298.4)	(192.4)	(448.7)	(266.1)	(507.8)	(446.7)
Other Financing Sources (Uses):										
Bond sale proceeds	508.2	171.3	230.0	370.6	281.5	304.6	325.7	439.1	237.1	391.1
Note proceeds	-	-	5.7	-	-	-	-	-	-	-
Operating transfer in(out)	(24.9)	144.7	127.2	141.0	136.1	97.4	109.0	115.5	113.7	(47.2)
Capital lease acquisitions	15.3	11.5	3.8	6.9	6.4	1.6	11.7	2.7	2.9	-
Net other financing sources (uses)	498.6	327.5	366.7	518.5	424.0	403.6	446.4	557.3	353.7	343.9
Operating revenues and other financing sources over (under) expenditures & other financing uses	$ 122.6	$ 667.3	$ 261.5	$ 425.6	$ 125.6	$ 211.2	$ (2.3)	$ 291.2	$ (154.1)	$ (102.8)

Notes: Data for FY 1982 to FY 1991 is per State of Washington Annual Financial Reporting System. GAAP Basis. Figures may not total due to rounding.

Revenues, Expenditures, and Other Financing Sources (Uses)
General Fund
Fiscal Years 1982 through 1991

(dollars in millions)

Table 2

	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982
Revenues:										
Taxes:										
Retail sales	$ 3,324.6	$ 3,074.4	$ 2,676.3	$ 2,453.0	$ 2,296.2	$ 2,160.7	$ 1,968.8	$ 1,927.9	$ 1,610.7	$ 1,341.4
Business and occupation	1,163.4	1,143.0	1,009.2	897.6	776.6	737.8	731.5	678.0	576.7	522.8
Compensating	260.8	223.8	197.2	176.4	167.1	165.7	178.2	148.9	120.3	106.3
Liquor, beer, and wine	74.5	72.2	71.2	70.7	71.3	72.2	73.2	75.7	76.6	70.8
Tobacco	96.3	93.5	94.0	95.7	95.7	96.6	97.4	99.0	104.4	94.2
Insurance premiums	104.9	90.8	88.8	91.6	89.8	76.3	63.1	54.8	52.0	45.4
Utility	156.6	152.6	145.5	161.8	157.4	163.7	151.6	129.6	164.5	139.5
Property	742.4	681.0	637.8	617.7	580.5	544.8	503.1	472.3	447.9	397.9
Excise	626.1	634.7	497.2	429.3	417.5	337.7	277.3	248.9	233.2	193.5
Gift and inheritance	48.9	29.7	17.3	18.8	22.2	17.6	20.4	20.2	28.1	56.2
Other (less credits)	114.5	126.2	100.7	85.8	95.9	85.4	71.0	1.2	32.7	19.9
Total taxes	6,713.0	6,322.0	5,535.2	5,098.4	4,770.2	4,458.5	4,135.6	3,856.5	3,447.1	2,987.9
Licenses, permits, & fees	71.8	66.5	57.8	54.4	49.5	40.8	37.9	36.3	34.2	30.0
Federal grants-in-aid	1,910.8	1,642.9	1,467.5	1,285.1	1,188.9	1,038.3	1,005.1	832.0	761.9	758.4
Charges and misc. revenue	378.0	366.3	341.5	285.8	282.0	249.3	215.3	217.6	182.1	184.5
Earnings on investments	100.8	84.8	56.0	28.9	29.1	25.2	32.2	31.5	26.3	28.4
Total Revenues	9,174.4	8,482.4	7,458.0	6,752.6	6,319.7	5,812.1	5,426.1	4,973.9	4,451.6	3,989.2
Expenditures:										
Current:										
General government	498.7	466.4	441.0	394.2	432.3	433.9	509.7	521.9	420.0	211.4
Human services	3,687.4	3,126.5	2,797.7	2,478.7	2,382.3	2,070.2	1,940.4	1,753.0	1,593.0	1,414.2
Natural resources/rec	249.4	214.0	220.6	185.5	182.5	166.5	137.7	118.1	154.7	152.8
Transportation	38.0	31.3	34.6	30.5	27.2	22.8	20.8	16.2	16.4	16.7
Education	4,381.4	3,876.9	3,543.4	3,290.1	3,088.3	2,923.1	2,640.2	2,488.2	2,361.5	2,329.6
Capital outlay	165.2	129.7	91.0	58.7	73.8	40.6	55.1	41.7	45.0	31.3
Debt service	4.5	12.6	10.0	12.1	6.5	4.8	6.0	13.4	0.7	18.1
Total expenditures	9,024.6	7,857.3	7,138.3	6,449.8	6,192.9	5,661.9	5,309.9	4,952.5	4,591.3	4,174.1
Revenues over (under) expenditures	149.8	625.0	319.7	302.8	126.8	150.2	116.2	21.4	(139.7)	(184.9)
Other Financing Sources (Uses):										
Bond sale proceeds	-	-	-	-	-	-	-	-	103.1	117.0
Operating transfer in(out)	(308.7)	(126.9)	(101.4)	(94.5)	(69.0)	(68.3)	39.8	29.9	40.7	(8.4)
Capital lease acquisitions	7.8	8.6	3.7	6.5	5.3	1.5	4.6	1.2	-	-
Net other financing sources (uses)	(300.9)	(118.3)	(97.7)	(88.0)	(63.7)	(66.8)	44.4	31.1	143.8	108.6
Operating revenues and other financing sources over (under) expenditures & other financing uses	$ (151.0)	$ 506.7	$ 222.0	$ 214.8	$ 63.1	$ 83.4	$ 160.6	$ 52.5	$ 4.1	$ (76.3)

Notes: Data for FY 1982 to FY 1991 is per State of Washington Annual Financial Reporting System, GAAP Basis.
Figures may not total due to rounding.

Property Tax Levies and Collections Calendar Years 1981 through 1990

(dollars in millions)

Table 3A

	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
Total property tax levies....................	$ 2,500	$ 2,359	$ 2,354	$ 2,042	$ 1,784	$ 1,678	$ 1,509	$ 1,434	$ 1,243	$ 1,129
Current tax collections.......................	$ 2,401	$ 2,263	$ 2,058	$ 1,945	$ 1,694	$ 1,591	$ 1,438	$ 1,369	$ 1,181	$ 1,062
Delinquent tax collections.................	93	93	87	83	72	65	62	77	65	59
Total Tax Collections.........................	$ 2,494	$ 2,356	$ 2,145	$ 2,028	$ 1,766	$ 1,656	$ 1,500	$ 1,446	$ 1,246	$ 1,121
Outstanding delinquent taxes...............$	66	$ 64	$ 74	$ 68	$ 61	$ 53	$ 46	$ 48	$ 62	$ 58
Percent of current taxes collected........	96.0%	95.9%	87.4%	95.2%	95.0%	94.8%	95.3%	95.5%	95.0%	94.1%
Ratio of total tax collections to tax levy...	99.8%	99.9%	91.1%	99.3%	99.0%	98.7%	99.4%	100.8%	100.2%	99.3%
Ratio of delinquent taxes to total tax levy..	2.6%	2.7%	3.1%	3.3%	3.4%	3.2%	3.0%	3.3%	5.0%	5.1%

Source: Tax Statistics, Washington State Department of Revenue

Assessed and Estimated Actual Value of Property Calendar Years 1981 through 1990

(dollars in millions)

Table 3B

	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
Real Property										
Assessed value...................................$	197,518	$ 160,586	$ 154,427	$ 145,659	$ 142,627	$ 136,329	$ 132,488	$ 125,661	$ 120,483	$ 102,588
Estimated actual value........................	214,946	178,717	159,678	153,129	148,691	143,611	140,580	135,255	133,106	122,859
Personal Property										
Assessed value....................................	20,381	17,709	16,738	16,579	16,103	16,117	15,709	15,106	22,930	20,712
Estimated actual value........................	21,294	18,324	17,323	17,169	16,560	16,736	16,415	15,744	23,787	21,607
Total										
Assessed value.................................. $	217,899	$ 178,295	$ 171,165	$ 162,238	$ 158,730	$ 152,446	$ 148,197	$ 140,767	$ 143,413	$ 123,300
Estimated actual value........................	236,240	197,041	177,001	170,298	165,251	160,347	156,995	150,999	156,893	144,466
Ratio of total assessed value to Total estimated actual value...............	92.2%	90.5%	96.7%	95.3%	96.1%	95.1%	94.4%	93.2%	91.4%	85.3%

Source: Tax Statistics, Washington State Department of Revenue

Property Tax Levies Overlapping Governments Calendar Years 1981 through 1990

(dollars in millions)

Table 3C

	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
State.. $	695	$ 636	$ 616	$ 595	$ 561	$ 525	$ 477	$ 441	$ 405	$ 371
Local school districts...........................	686	665	561	537	403	410	361	361	278	246
Counties..	490	458	416	386	354	325	302	281	257	234
Cities and towns..................................	339	315	296	280	248	222	198	190	168	156
Other districts......................................	290	285	257	244	218	196	171	161	135	122
Total Property Tax Levies..................$	2,500	$ 2,359	$ 2,146	$ 2,042	$ 1,784	$ 1,678	$ 1,509	$ 1,434	$ 1,243	$ 1,129

Source: Tax Statistics, Washington State Department of Revenue

Property Value and Construction Calendar Years 1981 through 1990

(dollars in millions)

Table 4A

	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
Property Value:										
Assessed value.......	$ 217,899	$ 178,295	$ 171,165	$ 162,238	$ 158,730	$ 152,446	$ 148,197	$ 140,767	$ 143,413	$ 123,300
Exemptions:										
Senior citizen.........	$ 1,883	$ 1,735	$ 1,750	$ 1,393	$ 1,437	$ 1,469	$ 1,426	$ 1,231	$ 852	$ 966
Head of household.	59	54	7	7	8	9	10	14	15	16
Total Exemptions	$ 1,942	$ 1,789	$ 1,757	$ 1,400	$ 1,445	$ 1,478	$ 1,436	$ 1,245	$ 867	$ 982
New Construction:										
Value.....................	$ 7,034	$ 5,489	$ 4,978	$ 3,687	$ 3,724	$ 3,162	$ 3,303	$ 2,580	$ 3,603	$ 3,489

Source: Tax Statistics, Washington State Department of Revenue.

Residential Building Activity Calendar Years 1981 through 1990

(dollars in millions)

Table 4B

	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
Residential Building Activity:										
Permits	48,447	48,210	45,055	38,341	36,434	35,474	30,391	27,248	17,559	24,384
Valuations..	$ 3,487	$ 3,247	$ 2,668	$ 2,224	$ 2,043	$ 1,794	$ 1,556	$ 1,537	$ 860	$ 1,160

Source: U.S. Department of Commerce, Bureau of the Census.

Principal Taxpayers For the Fiscal Year Ended June 30, 1991

(dollars in millions)

Table 4C

Taxpayer	Type of Business	Assessed Valuation	Percentage of Total Assessed Valuation
The Boeing Company.........................	Aerospace..	$ 3,289	1.51%
US West Communications..................	Telecommunications................................	1,928	0.88%
Puget Sound Power and Light.............	Utility...	1,483	0.68%
General Telephone Company.............	Telecommunications................................	977	0.45%
Weyerhaeuser Company.....................	Wood Products...	924	0.42%
James River of Nevada........................	Paper Mill..	534	0.25%
Washington Water Power...................	Utility...	518	0.24%
Longview Fibre....................................	Paper and Pulp...	471	0.22%
Atlantic Richfield Company................	Oil Refinery...	425	0.20%
Martin Selig Real Estate......................	Real Estate..	385	0.18%
Totals..		$ 10,934	5.02%

Note: As of December 1990, the Total Assessed Property Valuation for Washington State was $217,899 million; taxes are due in 1990.
Source: Information from thirty-four of the thirty-nine counties in the state of Washington, including the top twenty counties.

*Accrued State Retail Sales Tax**
Calendar Years 1981 through 1990

(dollars in millions)

Table 5A

	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
Sales Subject to Retail Sales Tax:										
Gross	$ 68,655	$ 63,742	$ 56,683	$ 51,988	$ 48,498	$ 47,181	$ 44,204	$ 40,171	$ 38,947	$ 41,150
Taxable	48,977	44,426	39,298	35,798	33,902	31,272	30,346	29,040	27,597	25,737
Accrued State Retail Sales Tax*	3,184	2,888	2,554	2,327	2,204	2,033	1,957	1,826	1,496	1,177

**State tax only, excludes accrued local sales tax revenues.*
Source: Quarterly Business Review, Washington State Department of Revenue, June 1991

Computation of Legal Debt Margin
June 30, 1991

(dollars in millions)

Table 5B

Three year mean, general state revenues	$ 4,798
Legal Debt Margin:	
Debt service limitation (7 percent of above)	$ 336
Less: Projected maximum annual debt service of outstanding bonds (Schedule 2A)	255
Uncommitted Portion of Debt Service Limitation	$ 81
Remaining state general obligation debt capacity	$ 854
Plus - Debt outstanding	2,360
Maximum Debt Authorization Subject to Limitation	$ 3,214

Source: Office of the State Treasurer - Certification of the Debt Limitation of the State of Washington for Fiscal Year 1991.

Domestic Financial Institutions Deposits
Calendar Years 1981 through 1990

(dollars in millions)

Table 5C

Financial Institutions	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
National Banks (1)	$ 27,285	$ 26,662	$ 23,650	$ 21,536	$ 21,859	$ 21,326	$ 18,224	$ 16,850	$ 16,284	$ 16,269
Percent change	2.3	12.7	9.8	(1.5)	2.5	17.0	8.2	3.5	0.1	(6.0)
State Chartered Banking Institutions (2):										
Commercial Banks	$ 5,473	$ 4,832	$ 4,025	$ 4,138	$ 4,074	$ 3,778	$ 3,881	$ 3,564	$ 3,028	$ 2,788
Percent change	13.3	20.0	(2.7)	1.6	7.8	(2.7)	8.9	17.7	8.6	1.7
Mutual Savings Banks	$ 8,035	$ 6,351	$ 6,947	$ 5,972	$ 4,873	$ 4,089	$ 4,796	$ 4,537	$ 3,601	$ 3,905
Percent change	26.5	(8.6)	16.3	22.6	19.2	(14.7)	5.7	26.0	(7.8)	3.8
Branches of Foreign Banks	$ 611	$ 454	$ 584	$ 791	$ 843	$ 499	$ 563	$ 630	$ 466	$ 412
Percent change	34.6	(22.3)	(26.2)	(6.2)	68.9	(11.4)	(10.6)	35.2	13.1	28.0
Federal Chartered Credit Unions (3)	$ 1,784	$ 1,850	$ 1,755	$ 1,465	$ 1,257	$ 1,070	$ 1,061	$ 850	$ 740	$ 650
Percent change	(3.6)	5.4	19.8	16.5	17.5	0.8	24.8	14.9	13.8	0.9
Federal Chartered Home Loan Bank	N/A	N/A	N/A	$ 9,506	$ 9,891	$ 9,704	$ 9,111	$ 8,330	$ 7,000	$ 5,700
Percent change	N/A	N/A	N/A	(3.9)	1.9	6.5	9.4	19.0	22.8	0.0
State Chartered Credit Unions (5)	$ 4,942	$ 4,183	$ 3,888	$ 3,184	$ 2,983	$ 2,265	$ 1,673	$ 1,556	$ 1,287	$ 1,062
Percent change	18.1	7.6	22.1	6.7	31.7	35.4	7.5	20.9	21.2	2.5
State Chartered Savings and Loan A	$ 1,557	$ 2.109	$ 1,908	$ 2,222	$ 2,091	$ 1,919	$ 1,482	$ 1,374	$ 1,251	$ 1,674
Percent change	(26.2)	10.5	(14.1)	6.3	9.0	29.5	7.9	9.8	(25.3)	(3.8)

Sources: (1) Comptroller of the Currency, Washington D.C.
(2) Washington State Department of General Administration, Division of Banking
(3) Washington Credit Union League, Seattle, Washington
(4) N/A Indicates data not available from Federal Home Loan Bank, Seattle, Washington
(5) Washington State Department of General Administration, Division of Savings and Loan Associations

Ratio of Net General and Limited Obligation Bonded Debt To Assessed Value and Net General and Limited Obligation Bonded Debt Per Capita Fiscal Years 1982 through 1990

Table 6A

	1990	1989	1988	1987	1986	1985	1984	1983	1982
Population (in thousands)	4,798	4,661	4,565	4,481	4,420	4,384	4,328	4,285	4,264
Assessed Value (in millions)	$ 217,899	$ 178,295	$ 171,165	$ 162,238	$ 158,730	$ 152,446	$ 148,197	$ 140,767	$ 143,413
Net Bonded Debt (in millions):									
Gross Bonded Debt	$ 3,363	$ 3,315	$ 3,166	$ 2,909	$ 2,705	$ 2,398	$ 2,282	$ 2,007	$1,675
Less:									
Debt Service Fund	109	88	85	68	65	56	61	54	66
Net Bonded Debt	$ 3,254	$ 3,227	$ 3,081	$ 2,841	$ 2,640	$ 2,342	$ 2,221	$ 1,953	$ 1,609
Ratio of Net Bonded Debt to Assessed Value	1.49%	1.81%	1.80%	1.75%	1.66%	1.54%	1.50%	1.39%	1.12%
Net Bonded Debt Per Capita	$ 678	$ 692	$ 675	$ 634	$ 597	$ 534	$ 513	$ 456	$ 377

Note: GAAP financial statements have only been issued by Washington State since 1982; data reported is limited to that time period.

Selected Financial Ratios Calendar Years 1981 through 1990

Table 6B

	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
State bond debt per capita	$ 773	$ 752	$ 758	$ 715	$ 684	$ 615	$ 580	$ 527	$ 439	$ 357
State bond debt/percent of personal income	4.04%	4.16%	4.54%	4.54%	4.56%	4.35%	4.30%	4.14%	3.63%	3.17%
Total debt service/percent of personal income	0.44%	0.46%	0.48%	0.47%	0.46%	0.56%	0.81%	0.39%	1.16%	0.53%
State bond debt/percent of market value of taxable property	1.57%	1.78%	1.96%	1.88%	1.83%	1.68%	1.60%	1.50%	1.19%	1.04%
Factors:										
Population (thousands)(1)	4,798	4,661	4,565	4,481	4,420	4,384	4,328	4,285	4,264	4,227
Personal income (in millions)(1)	$ 91,774	$ 84,169	$ 76300	$ 70,565	$ 66,281	$ 62,032	$ 58,416	$ 54,552	$ 51,548	$ 47,600
Total debt service (in millions)(2)	401	$389	$363	$334	$308	$350	$475	$213	$599	$252
Market value of taxable property (in millions)(3)	$ 236,240	$ 197,041	$ 177,001	$ 170,298	$ 165,251	$ 160,347	$ 156,995	$ 150,999	$ 156,893	$ 144,466
State bond debt (in millions)(2)	$ 3,708	$ 3,505	$ 3,461	$ 3,205	$ 3,022	$ 2,696	$ 2,511	$ 2,259	$ 1,870	$ 1,509

Note: Inventory removed from tax base in 1983.

Sources: (1) Washington State Economic and Revenue Forecast Council, June 1991
(2) Washington Office of State Treasurer, February 1991.
(3) Washington State Department of Revenue

Ratio of Annual Debt Service to Expenditures All Governmental Fund Types Fiscal Years 1982 through 1991

Table 7A

(dollars in millions)

	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982
Principal....	$ 176.3	$ 168.9	$ 144.4	$ 126.2	$ 111.5	$ 86.8	$ 86.4	$ 73.2	$ 60.9	$ 57.3
Interest	239.9	232.9	226.4	218.0	199.8	209.5	193.8	177.1	135.8	119.1
Total Debt Service (1)(2)	$ 416.2	$ 401.8	$ 370.8	$ 344.2	$ 311.3	$ 296.3	$ 280.2	$ 250.3	$ 196.7	$ 176.4
Total Governmental Funds Expenditures (1)(2)(3)	$ 12,219.9	$ 10,505.7	$ 9,620.0	$ 8,691.5	$ 8,379.7	$ 7,704.7	$ 7,590.5	$ 6,733.3	$ 6,326.2	$ 5,753.7
Ratio Debt Service to Governmental Funds Expenditures	3.4	3.8	3.9	4.0	3.7	3.8	3.7	3.7	3.1	3.1

Notes: (1) Excludes $161.8 for refunding of bonds in FY 1985.
(2) Excludes $812.7 for refunding of bonds in FY 1986.
(3) Excludes $170.3 for refunding of bonds in FY 1987.

Revenue Bond Coverage Fiscal Years 1985 through 1991

Table 7B

(dollars in millions)

	1991	1990	1989	1988	1987	1986	1985
Gross Revenues	$ 1,779	$ 1,502	$ 1,386	$ 1,301	$ 1,182	$ 1,191	$ 1,008
Operating Expenses	2,105	1,579	1,508	1,501	1,135	1,160	1,284
Net Revenue Available for Debt Service	$ (326)	$ (77)	$ (122)	$ (200)	$ 47	$ 31	$ (276)
Debt Service Requirements:							
Principal	$ 7	$ 7	$ 10	$ 7	$ 7	$ 1.5	$ 1.3
Interest	6	6	23	21	19	27	20
Total Debt Service Requirements	$ 13	$ 13	$ 33	$ 28	$ 26	$ 29	$ 21
Coverage Ratio	(25.08)	(5.96)	(3.70)	(7.14)	1.81	1.09	(12.96)

Note: CAFR's have only been issued by Washington State since 1985; data reported is limited to that time period.

Total Resident Population and Components of Change Calendar Years 1982 through 1991

(figures in thousands)

Table 8A

	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982
Population	4,922.3	4,798.1	4,660.7	4,565.0	4,481.1	4,419.7	4,384.1	4,328.1	4,285.1	4,264.0
Population change:										
Number	124.1	137.4	95.7	83.9	61.4	35.6	56.0	43.0	21.1	37.4
Percent	2.6	2.9	2.1	1.9	1.4	0.8	1.3	1.0	0.5	0.9
Births number	76.9	76.1	73.0	71.0	69.3	70.2	69.1	68.5	69.5	70.1
Deaths number	38.7	36.1	36.0	36.0	34.4	34.0	34.0	33.2	32.5	31.7
Net migration number	86.0	97.4	58.7	48.9	26.5	(0.6)	20.9	7.8	(15.8)	(0.9)

Notes: Births, deaths, and migration year figures are April through March.
Population figures are as of April 1 of each year.
Birth and death figures are estimated for the year 1991.

Source: Washington State Economic and Revenue Forecast Council - June 1991.

Employment Comparison Washington vs. United States Calendar Years 1981 through 1990

(figures in thousands)

Table 8B

Total Civilian	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
Labor Force:										
Washington State	2,503	2,451	2,316	2,257	2,198	2,091	2,051	2,068	2,025	1,997
Percent change	2.1	5.8	2.6	2.7	5.1	2.0	(0.9)	2.2	1.4	0.6
United States	124,800	123,900	121,700	119,900	117,800	115,464	113,531	111,518	110,246	108,671
Percent change	0.7	1.8	1.5	1.8	2.0	1.7	1.8	1.2	1.4	1.6
Employment:										
Washington State	2,381	2,300	2,173	2,087	2,018	1,921	1,857	1,838	1,779	1,806
Percent change	3.5	5.8	4.2	3.4	5.0	3.4	1.1	3.3	(1.5)	(1.2)
United States	117,900	117,300	115,000	112,400	109,600	107,154	105,005	100,824	99,531	100,396
Percent change	0.5	2.0	2.3	2.6	2.3	2.0	4.1	1.3	(0.9)	1.1

Sources: Washington State Office of Financial Management - Forecasting Division.

Labor Force and Employment by Sector
Calendar Years 1981 through 1990

(figures in thousands)

Table 9A

	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
Resident Civilian Labor Force and Employment in Washington State (1)										
Civilian labor force	2,502.6	2,450.9	2,316.1	2,257.0	2,198.0	2,091.0	2,050.8	2,068.4	2,024.6	1,996.7
Unemployment	121.5	151.0	142.9	170.4	180.2	169.8	193.6	230.5	245.7	190.8
Total Employment	2,381.1	2,299.9	2,173.2	2,086.6	2,017.8	1,921.2	1,857.2	1,837.9	1,778.9	1,805.9
Unemployment percentage rate.	4.9%	6.2%	6.2%	7.5%	8.2%	8.1%	9.4%	11.1%	12.1%	9.6%
Nonagricultural Wage and Salary Workers Employed in Washington State										
Manufacturing:										
Food processing	37.6	35.9	34.2	32.3	31.1	31.1	30.8	31.1	31.8	31.7
Lumber and wood	40.3	41.2	41.7	40.4	38.4	38.3	41.3	42.2	39.4	44.4
Paper and pulp	18.1	18.0	17.1	16.6	16.7	16.7	16.2	15.8	16.1	17.2
Chemicals	13.2	12.2	12.5	11.4	11.5	11.3	10.5	10.1	9.5	9.2
Metals and machinery	57.3	55.7	52.0	51.2	51.9	51.6	51.6	47.6	50.8	53.5
Aerospace	116.5	113.7	101.0	92.9	84.9	76.1	66.6	65.0	74.9	79.0
Other transportation equipment	14.8	15.3	15.2	13.3	12.6	13.5	15.6	15.2	17.2	18.4
Other manufacturing	72.1	70.5	68.2	60.2	57.9	56.9	55.5	51.4	49.3	49.8
Total Manufacturing	369.9	362.5	341.9	318.3	305.0	295.5	288.1	278.4	289.0	303.2
Nonmanufacturing:										
Construction	118.9	106.9	96.5	88.8	84.4	80.4	79.5	74.1	76.4	90.4
Transportation, communications & utilities	113.7	108.5	101.9	98.5	96.2	93.6	91.2	87.9	89.0	90.1
Trade	521.3	503.3	477.4	458.0	436.4	420.6	411.5	393.8	385.4	388.2
Finance, insurance, and real estate	117.1	112.7	109.4	107.5	104.9	99.6	95.7	92.3	90.7	92.3
Services and misc. (2)	515.6	478.2	447.0	423.1	393.8	377.7	359.2	335.5	319.9	321.4
State and local govt	324.7	307.8	297.4	286.6	279.8	272.8	265.7	256.4	252.2	259.9
Federal civilian govt	73.8	72.0	71.4	70.6	69.2	70.1	68.9	67.6	66.3	66.5
Total Nonmanufacturing	1,785.1	1,689.4	1,601.0	1,533.1	1,464.7	1,414.8	1,371.7	1,307.6	1,279.9	1,308.8
Total Wage and Salary Workers	2,155.0	2,051.9	1,942.9	1,851.4	1,769.7	1,710.3	1,659.8	1,586.0	1,568.9	1,612.0

Notes: Figures may not total due to rounding.
(1) Average of Monthly Data.
(2) Includes Mining and Quarrying.

Source: Washington State Office of Financial Management - Forecasting Division.

Average Annual Wage Rates
Calendar Years 1981 through 1990

Table 9B

	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
Construction	$ 25,657	$ 25,141	$ 24,258	$ 23,127	$ 22,501	$ 21,921	$ 22,958	$ 23,870	$ 25,389	$ 24.532
Finance, insurance and real estate	27,404	26,285	25,514	24,214	22,772	21,230	21,104	20,284	18,969	16,752
Federal government	29,251	28,547	27,612	26,542	25,543	25,506	24,850	24,563	22,750	21,213
State and local govt	23,086	22,142	21,171	20,424	19,659	19,013	18,012	17,320	16,766	15,776
Mining	35,193	36,680	32,765	30,156	29,404	27,976	28,359	26,618	25,931	23,943
Transportation, communications and utilities	29,849	29,303	29,054	27,995	27.351	26,911	26,585	26,145	24,487	23,212
Services	20,521	19,306	18,600	18,145	17,399	16,759	15,875	15,563	15,121	14,457
Retail trade	14,196	13,412	12,799	12,320	12,150	11,954	11,808	11,645	11,179	10,608
Wholesale trade	28,413	26,750	25,867	24,778	24,241	23,440	23,226	22,105	21,456	20,518

Source: Washington State Office of Financial Management - Forecasting Division.

Personal Income Comparison Washington vs. United States Calendar Years 1981 through 1990

(dollars in billions)

Table 10A

	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
Current Dollars										
Washington										
Amount	91.8	84.2	76.3	70.6	66.3	62.0	58.4	54.6	51.4	49.3
Percent change	9.1	10.3	8.1	6.5	6.8	6.2	7.1	6.1	4.4	10.5
United States										
Amount	4,645.5	4,384.3	4,070.8	3,766.4	3,526.2	3,325.4	3,108.8	2,838.6	2,670.8	2,520.9
Percent change	6.0	7.7	8.1	6.8	6.0	7.0	9.5	6.3	5.9	11.6
1982 Constant Dollars										
Washington										
Amount	67.3	64.8	61.4	59.0	58.0	55.6	54.1	52.4	51.4	52.1
Percent change	3.9	5.5	4.1	1.8	4.3	2.8	3.2	1.9	(1.2)	1.3
United States										
Amount	3,406.5	3,376.3	3,276.6	3,148.8	3,083.6	2,979.0	2,877.8	2,726.8	2,671.2	2,664.5
Percent change	0.9	3.0	4.1	2.1	3.5	3.5	5.5	2.1	0.3	2.2

Source: Washington State Office of Financial Management - Forecasting Division.

Personal Income by Component Calendar Years 1981 through 1990

(dollars in billions)

Table 10B

	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
Total personal income	91.8	84.2	76.3	70.6	66.3	62.0	58.4	54.6	51.4	49.3
Percent change	9.1	10.3	8.1	6.5	6.8	6.2	7.1	6.1	4.4	10.5
Total earnings	66.3	60.4	55.2	50.8	47.3	43.8	41.5	38.8	36.8	35.9
Percent change	9.8	9.4	8.7	7.5	8.0	5.5	7.0	5.5	2.4	7.6
Wages and salaries	53.4	48.6	44.5	41.0	38.2	35.7	33.7	31.5	30.4	29.5
Percent change	9.8	9.3	8.5	7.2	7.1	5.8	7.1	3.6	3.0	9.6
Other labor income	4.6	4.2	3.7	3.4	3.3	3.1	3.0	2.9	2.8	2.6
Percent change	10.8	11.7	8.6	4.6	6.7	1.3	3.6	4.2	8.2	9.8
Farm proprietor's income	1.5	1.3	1.2	1.1	1.1	0.7	0.9	0.9	0.6	0.8
Percent change	16.4	11.0	4.0	1.4	55.1	(18.1)	(4.5)	45.4	(16.6)	4.8
Nonfarm proprietor's income	6.7	6.3	5.8	5.2	4.6	4.3	3.8	3.4	2.9	3.0
Percent change	7.1	8.3	10.8	13.2	9.0	11.6	11.9	17.8	(3.5)	(10.1)
Less: Personal contributions for social insurance	4.4	3.9	3.5	3.1	2.9	2.6	2.3	2.2	2.0	1.9
Percent change	10.8	13.1	11.9	9.1	10.1	10.9	8.3	6.7	7.2	16.6
Plus: Residence adjustment	0.7	0.6	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4
Percent change	7.4	14.6	3.4	11.3	1.5	14.3	(0.7)	1.7	4.7	(1.0)
Dividends, interest, and rent	15.4	14.5	12.3	11.5	11.1	10.6	9.9	9.0	8.3	7.8
Percent change	6.5	17.2	7.6	3.2	4.8	7.4	9.8	8.0	7.2	23.9
Transfer payments	13.9	12.7	11.7	10.9	10.3	9.8	9.0	8.6	8.0	7.1
Percent change	9.5	8.1	7.5	5.9	4.9	8.8	5.3	7.4	12.2	15.4

Note: Figures may not total due to rounding.

Source: Washington State Office of Financial Management - Forecasting Division.

Full-Time Equivalent Staff Comparison
Allotted Funds
Fiscal Years 1982 through 1991

Table 11A

Function	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982
General government	7,466	7,111	6,982	6,555	6,240	5,960	5,839	5,654	5,568	5,458
Human services	27,691	25,806	24,320	23,325	22,649	21,741	21,112	20,487	19,147	18,773
Natural resources and recreation	6,246	5,851	5,662	5,080	4,883	4,781	4,657	4,330	4,058	4,220
Transportation	9,318	8,909	8,504	8,576	8,655	8,545	8,489	7,951	7,640	7,721
Education	33,823	32,611	31,670	30,538	29,876	28,920	28,551	27,991	27,446	28,098
Total Regular	84,544	80,288	77,138	74,074	72,303	69,947	68,648	66,413	63,859	64,270
Special employment programs	0	0	0	0	0	341	331	310	352	446
Total State	84,544	80,288	77,138	74,074	72,303	70,288	68,979	66,723	64,211	64,716

Notes: A Full-Time Equivalent (FTE) is one full calendar year of paid employment, or the equivalent of 2,088 hours (the number of available work-hours in a year.) It is not the number of employees on the payroll, nor is it the number of positions in state goverment. It is a computed average number of state employees based upon cumulative FTE staff months during one fiscal year or cummulative hours paid during one fiscal year.

The FTE staff years can be computed two ways:

1. *By accumulating all FTE staff months for a full year and dividing by twelve.*
2. *By accumulating all paid hours for one full year and dividing by 2,088 (the available work hours in a year).*

Source: Washington State Office of Financial Management - State Accounting and Fiscal Services Division.

Full-Time Equivalent Staff Comparison
General Fund
Fiscal Years 1982 through 1991

Table 11B

Function	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982
General government	2,837	2,675	2,752	2,492	2,458	2,372	2,410	2,279	2,320	2,327
Human services	15,744	14,403	13,525	13,379	13,166	13,219	12,237	11,734	10,307	10,001
Natural resources and recreation	2,812	2,780	2,747	2,493	2,191	2,238	1,988	1,762	1,561	1,816
Transportation	472	432	434	386	368	326	297	296	333	301
Education	20,298	19,576	18,986	18,532	18,325	17,907	17,664	17,672	16,130	16,984
Total	42,163	39,866	38,444	37,282	36,508	36,062	34,596	33,743	30,651	31,429

Notes: A Full-Time Equivalent (FTE) is one full calendar year of paid employment, or the equivalent of 2,088 hours (the number of available work-hours in a year.) It is not the number of employees on the payroll, nor is it the number of positions in state goverment. It is a computed average number of state employees based upon cumulative FTE staff months during one fiscal year or cummulative hours paid during one fiscal year.

The FTE staff years can be computed two ways:

1. *By accumulating all FTE staff months for a full year and dividing by twelve.*
2. *By accumulating all paid hours for one full year and dividing by 2,088 (the available work hours in a year).*

Source: Washington State Office of Financial Management - State Accounting and Fiscal Services Division.

Public School Enrollment Grades K-12
Average Annual Full-Time Equivalent Enrollment
Academic Years 1981 through 1991

Table 12A

Grades	1990-91	1989-90	1988-89	1987-88	1986-87	1985-86	1984-85	1983-84	1982-83	1981-82
K-8	575,532	551,232	527,832	506,853	487,902	474,549	471,601	473,620	477,511	484,703
9-12	219,872	217,124	220,588	226,997	232,834	234,400	230,946	225,999	224,263	228,061
Total All Grades	795,404	768,356	748,420	733,850	720,736	708,949	702,547	699,619	701,774	712,764

Annual Average for Ten Year Period	
K-8	503,134
9-12	226,108
Total All Grades	729,242

Note: A Full-Time Equivalent student is defined as:

a. Kindergarten -- 4 classroom hours/day for 90 days or 2 classroom hours/day for 180 days.
b. Grades 1 through 3 -- 4 classroom hours/day for 180 days.
c. Grades 4 through 12 -- 5 classroom hours/day for 180 days.

Source: Washington State Office of Financial Management - Forecasting Division.

Public Higher Education Enrollment
Average Annual Full-Time Equivalent Enrollment
Academic Years 1981 through 1991

Table 12B

	1990-91	1989-90	1988-89	1987-88	1986-87	1985-86	1984-85	1983-84	1982-83	1981-82
Community Colleges	86,015	85,896	84,392	84,304	84,406	83,556	83,225	82,317	82,109	86,101
4 Year Schools	72,566	71,075	69,933	69,177	68,961	68,927	69,570	69,965	70,012	71,767
Total	158,581	156,971	154,325	153,481	153,367	152,483	152,795	152,282	152,121	157,868

Annual Average for Ten Year Period	
Community Colleges	84,232
4 Year Schools	70,195
Total	154,427

Notes: A Full-Time Equivalent student is defined as:

a. Undergraduate student -- 15 credit hours per term.
b. Graduate student -- 10 credit hours per term.

Beginning in 1985-86, enrollment at the Tri-Cities University Center is included within the University of Washington enrollment counts.

Source: Washington State Office of Financial Management - Forecasting Division.

Value of Agricultural Production Calendar Years 1981 through 1990

(dollars in millions)

Table 13A

	1990 as a % of 1989	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
Field crops	97.7	$ 1,354.3	$ 1,385.5	$ 1,384.2	$ 987.5	$ 1,054.6	$ 1,229.6	$ 1,508.7	$ 1,484.6	$ 1,356.1	$ 1,411.7
Fruit and nut crops	141.4	1,034.9	732.0	724.2	555.5	683.0	490.0	461.5	502.1	389.0	438.4
Vegetable crops	95.8	210.3	219.6	191.2	171.1	162.3	156.0	149.7	138.8	144.9	138.8
Seed crops (1)	88.3	28.1	31.8	40.5	35.6	26.2	25.2	N/A	N/A	N/A	32.0
Berry crops	77.4	26.0	33.6	32.3	31.1	24.1	27.4	21.1	26.8	28.8	22.3
Total Crops	110.5	2,653.6	2,402.5	2,372.4	1,780.8	1,950.1	1,928.2	2,141.1	2,152.3	1,918.7	2,043.1
Specialty products (2)	102.3	220.8	216.0	314.3	274.3	226.7	215.7	195.4	179.0	170.1	173.2
Livestock and livestock products	126.4	1,232.5	974.7	1,031.8	924.5	886.3	885.2	939.5	908.4	892.5	881.8
State Total		$ 4,106.9	$ 3,593.2	$ 3,718.6	$ 2,979.6	$ 3,063.1	$ 3,029.0	$ 3,276.0	$ 3,239.8	$ 2,981.3	$ 3,098.2

Notes: (1) Seed crops not available for 1982 through 1984 due to program modifications.
(2) Includes nursery products, greenhouse products, honey, poultry, mushrooms, and aquaculture.

Source: Washington State Department of Agriculture.

Rank Order of Principal Commodities Value Calendar Years 1981 through 1990

(dollars in thousands)

Table 13B

Commodities	Rank 1990	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981	% Change 90 vs 89
Apples	1	$ 775,650	$ 466,000	$ 505,050	$ 348,000	$ 488,400	$ 348,740	$ 326,220	$ 348,790	$ 252,895	$ 301,530	66
Milk	2	603,661	559,210	495,851	474,991	468,980	478,471	466,845	476,019	439,991	416,723	8
Cattle and calves	3	480,836	402,172	401,461	325,594	294,337	287,784	339,578	317,284	335,024	335,151	20
Wheat	4	405,216	446,864	522,158	322,284	293,294	437,333	553,208	636,783	561,076	659,932	(9)
Potatoes	5	333,102	331,197	284,625	244,404	266,385	219,524	293,164	229,840	198,000	209,034	1
Hay	6	276,568	251,853	222,391	143,117	172,440	219,278	235,141	206,848	201,894	170,314	10
Nursery products	7	150,000	140,000	130,000	125,000	94,000	98,000	100,000	100,000	104,311	98,366	7
All pears	8	110,976	105,026	90,486	67,717	75,832	69,126	55,428	48,973	52,005	55,352	6
Eggs	9	79,472	79,131	55,402	48,211	55,577	55,103	67,803	58,110	60,253	64,603	0
Sweet cherries	10	62,602	67,390	60,918	68,332	59,437	36,527	40.654	55,709	37,888	41,479	(7)
Hops	11	60,396	57,691	54,061	49,365	56,439	66,002	86,732	92,061	93,067	89,205	5
Grapes	12	56,877	69,158	44,601	55,356	37,120	20,642	20,853	34,252	31,299	30,102	(18)
Asparagus	13	54,916	55,074	47,198	40,257	40,612	42,443	37,454	35,158	33,145	29,268	0
Chickens and broilers	14	51,132	51,363	41,661	36,045	36,049	34,060	36,876	30,056	29,760	31,373	0
Barley	15	48,633	65,082	85,064	66,338	75,150	110,448	143,325	140,352	110,184	110,200	(25)
Mint oil	16	41,816	31,514	35,046	26,461	27,991	26,862	25,196	17,814	13,409	16,734	33
Sweet corn	17	39,469	38,864	33,441	30,867	24,531	27,240	21,240	24,187	35,856	23,910	2
Corn for grain	18	38,500	44,888	40,800	29,240	36,720	57,240	69,750	63,712	72,000	45,201	(14)
Aquaculture	19	28,194	33,207	41,778	24,228	22,984	N/A	N/A	N/A	N/A	N/A	(15)
Onions	20	26,286	36,001	26,776	27,342	23,770	13,540	20,344	21,555	7,910	22,330	(27)
Corn for silage	21	24,840	25,000	24,000	22,000	27,000	26,620	26,450	28,750	30,360	24,182	(1)
Proc. green peas	22	23,878	25,977	21,361	21,714	20,431	23,616	26,932	20,037	25,455	17,907	(8)
Dry edible beans	23	18,878	23,968	20,850	11,488	11,926	12,922	12,585	6,497	10,341	25,530	(21)
Alfalfa seed	24	18,573	17,582	16,770	11,172	10,537	14,127	N/A	N/A	N/A	10,736	6
Dry edible peas	25	17,462	22,365	21,593	16,112	18,054	12,981	15,743	19,161	18,614	14,729	(22)
Carrots	26	15,001	14,407	17,412	10,831	12,270	11,257	10,941	8,871	7,436	9,781	4
Peaches	27	13,498	11,212	9,660	7,076	9,105	7,365	9,239	6,244	6,021	4,719	20
Hogs and pigs	28	11,581	9,411	8,717	9,268	7,227	7,223	8,992	9,660	9,477	12,087	23
Lentils	29	10,591	11,664	10,056	12,804	26,637	18,270	11,882	9,775	21,165	22,688	(9)
Mushrooms	30	9,915	8,306	7,327	7,576	6,263	5,229	5,186	5,474	5,688	4,713	19

Note: N/A indicates data not available.

Source: Washington State Department of Agriculture.

International Trade Facts *All Washington Ports* *Calendar Years 1981 through 1990*

Table 14A

(dollars in millions)

	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
Exports (1)..........................$	34,560 $	28,544 $	22,350 $	16,694 $	15,837 $	13,216 $	11,611 $	12,458 $	11,345 $	14,735
Imports..............................	36,889	35,658	32,592	29,741	25,040	20,402	19,190	18,238	16,079	18,043
Trade Balance.....................	(2,329)	(7,114)	(10,242)	(13,047)	(9,203)	(7,186)	(7,579)	(5,780)	(4,734)	(3,308)
Two Way Trade..................	71,449	64,202	54,942	46,435	40,877	33,618	30,801	30,696	27,424	32,778

Note: (1) These figures indicate total international trade from the state of Washington, including bonded shipments to other states and Canada. (Includes Boeing Company figures.)

Source: Washington State Department of Trade and Economic Development (U.S. Census Bureau).

Major Export Trading Partners *Calendar Years 1981 through 1990*

Table 14B

(dollars in millions)

Partners	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
Japan.................................$	8,731 $	7,132 $	6,393 $	4,688 $	4,175 $	3,477 $	3,502 $	2,325 $	2,462 $	$2,723
Canada................................	4,935	4,618	3,903	2,609	2,483	2,114	2,296	1,971	1,865	2,559
United Kingdom.................	3,162	1,998	1,567	1,213	550	542	298	101	165	134
Korea..................................	2,429	2,452	1,787	1,314	1,110	1,021	963	786	599	669
Taiwan................................	1,603	1,380	1,229	753	637	659	632	484	269	443
Germany.............................	1,447	1,485	747	616	723	525	35	40	49	57
Australia.............................	1,406	806	866	611	986	932	701	73	81	86
Hong Kong.........................	1,209	973	668	685	530	411	60	53	44	35
Netherlands........................	1,013	914	293	358	415	187	145	N/A	N/A	N/A
China (PRC).......................	913	796	706	656	425	782	292	234	203	169

Notes: 1981-1984 statistics represent exports from all Washington State ports by water-borne.
1985-1990 statistics are based on all Washington State ports, all methods of transportation.
N/A indicates data not available.

Source: Washington State Department of Trade and Economic Development (U.S. Census Bureau).

Major Import Trading Partners *Calendar Years 1981 through 1990*

Table 14C

(dollars in millions)

Partners	1990*	1989*	1988*	1987*	1986*	1985*	1984*	1983*	1982*	1981
Japan.................................$	16,151 $	16,477 $	15,359 $	13,428 $	11,438 $	9,216 $	8,523 $	6,668 $	6,239 $	$6,410
Canada................................	4,332	4,149	3,683	3,367	3,009	2,077	1,947	2,347	1,748	2,052
Korea..................................	3,365	3,501	3,508	2,989	1,929	1,349	1,259	1,334	1,024	1,279
Taiwan................................	3,030	2,936	3,143	3,643	3,044	3,214	3,165	2,730	2,419	2,684
China (PRC).......................	2,273	1,762	1,152	784	623	464	247	34	29	82
Hong Kong.........................	1,324	1,365	1,364	1,328	1,248	950	970	1,189	1,104	1,318
United Kingdom.................	1,193	753	256	469	441	464	208	N/A	N/A	N/A
Australia.............................	819	703	515	522	440	311	151	70	114	144
France.................................	687	648	502	483	634	532	497	421	449	458
Singapore...........................	656	695	675	550	438	315	312	246	206	188

*Notes: *Based on all Washington State ports, all methods of transportation.*
N/A indicates data not available.

Source: Washington State Department of Trade and Economic Development (U.S. Census Bureau).